RARY

Final Edition

ESTABLISHED OVER 100 YEARS

In 2 Sections—Section 1

APR 27 1945

The Commercial and
FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 161 Number 4380 | New York, N. Y., Thursday, April 26, 1945 | Price 60 Cents a Copy

Sen. Tydings Would End Deficit Spending

Calls for Pay-As-You-Go Basis in Peace Time and Constitutional Restrictions on Appropriations.

In an address before the Executive Club of Chicago, on April 20, Senator Millard E. Tydings, Democrat of Maryland, pointed out the dangers to our democracy and national integrity in following a policy of deficit spending except in extreme emergency situations.

Sen. M. E. Tydings

"Ever since 1929," stated Senator Tydings, "the national Government has been operated on borrowed money. At no time has income matched the expenditures that have been made. This policy resulted in a very large increase in our national debt even before we went into the war, and now with the war cost superimposed on that pre-war debt, our national Government will owe approxi-

(Continued on page 1832)

Pictures of STANY Annual Dinner on Pages 1834, 1835, 1836 and 1837

Index of Regular Features on page 1856.

Post-War Federal Taxes

By ROSWELL MAGILL*

Former Under Secretary of the Treasury

Former Treasury Official Asserts Tax Program Will Be of Major Importance in Post-War Economy and That It Must Create Business Confidence in Our Fiscal and Monetary Stability. Sees Free Enterprise Involved, and Calls for Prudence in Government Expenditure and Restraint on Taxation That Diminishes Private Incentives. Says We Must Have Active Business and a Balanced Budget, With at Least $125 Billions of National Income. Predicts Little Reduction in Excise and Income Tax Rates if Budget Is Balanced, and Urges Taxing Alike of business and Individual Incomes.

The prospect of victory in the war in Europe last fall brought out a group of postwar tax plans. The final German drive made present consideration of them seem quite impractical, and they lost the headlines to our renewed war efforts, Dumbarton Oaks, Bretton Woods, and Yalta. Now that victory in Europe again seems to be near, discussion of postwar fiscal policy is coming to the fore. This organization is leading the way in directing attention to it as a major public question.

Roswell Magill

Taxation by its very nature cannot be a popular subject. Moreover, in the past decade, it has come to be more and more technical, abstruse, and unintelligible to the layman. Why, then,

---

*An address by Mr. Magill before the Chartered Life Underwriters' Seminar, New York City, April 20, 1945.

(Continued on page 1842)

Post-War International Credit And the Bretton Woods Proposals

By Dr. MELCHIOR PALYI

Asserting That Countries Under Foreign Exchange Control Are Not Credit-Worthy, Dr. Palyi Contends the British Are Convinced That, in View of the Inability of Britain to Obtain Funds Adequate for Post-War Needs, the Bretton Woods Pact Will Help Little, Though, Should Congress Adopt It, the British Parliament Will Follow Suit. Holds That the Strict Separation of Current and Capital Financial Transactions, Imposed by Bretton Woods Does Not Exist in Fact and That International Chaos Need Not Ensue Merely Because Financial Transactions Are Not "Institutionalized and Bureaucratized."

I.

A discussion of international credit problems has to start with the unpleasant statement that **countries under effective foreign exchange regulation are not credit-worthy.**

Dr. Melchior Palyi

Short-term credits of a self-liquidating nature and properly collateralized by internationally marketable commodities will be available, of course. Such credits are actually outside the exchange regulations, especially if the commodities are in transit or in foreign countries. But they are not what the post-war world will need for reconstruction.

The same holds for credits of the type Soviet Russia received from Germany and the U. S. in the inter-war period. They were

(Continued on page 1845)

A San Francisco Preview

By A. WILFRED MAY

Special Correspondent of the Commercial and Financial Chronicle

Correspondent Holds That There Is Complete Confusion as to the Exact Nature of the World Security Conference, Despite the Elaborate Preparations and Preliminaries. Says Russia Is Still an Enigma, and That Status of Neutrals and Non-Belligerents in the Proposed International Organization Is Unsettled, as Well as the Polish Question, the Mandates, Future Boundaries and New Territorial Acquisitions. Sees Divided Opinion on Bretton Woods and Unpredictable Attitudes on Post-War Economic Problems. Believes Conference "Dangerously Over-Ballyhooed."

A. Wilfred May

SAN FRANCISCO, April 25.—The purposes, techniques, and problems of the United Nations Conference on International Organization to prevent future wars cannot possibly be explained succinctly or logically, but must be understood through a process like osmosis, or absorbed gradually through one's pores.

For the benefit of radio and press correspondents who have come out to cover the proceedings, thanks to the State Department, such indoctrination has been effected in the most pleasant atmosphere imaginable . . . The foreigners have been given a perfect demonstration of American public relations practice . . . The railroads have outdone themselves in either wartime or peacetime service to transport the press here . . . They provided two special

(Continued on page 1840)

Reading Company
3⅛s, due May 1, 1995
Offering Circular
on request
HIRSCH & Co.
Successors to
HIRSCH, LILIENTHAL & CO.
Members New York Stock Exchange
and other Exchanges
London - Geneva Rep.
25 Broad St., New York 4, N. Y.
HAnover 2-0600 Teletype NY 1-210
Chicago Cleveland

Buy War Bonds
for
VICTORY
R. H. Johnson & Co.
Established 1927
INVESTMENT SECURITIES
64 Wall Street, New York 5
BOSTON PHILADELPHIA
Troy Albany Buffalo Syracuse
Pittsburgh Dallas Wilkes Barre
Baltimore Springfield

MANHATTAN
BOND FUND
INC.
PROSPECTUS ON REQUEST
Wholesale Distributors
HUGH W. LONG and COMPANY
INCORPORATED
48 WALL ST. NEW YORK 5
634 SO. SPRING ST. LOS ANGELES 14

Bond Brokerage
Service
for Banks, Brokers
and Dealers
HARDY & Co.
Members New York Stock Exchange
Members New York Curb Exchange
30 Broad St. New York 4
Tel. DIgby 4-7800 Tele. NY 1-733

State and
Municipal
Bonds
Bond Department
THE CHASE
NATIONAL BANK
OF THE CITY OF NEW YORK

BOND
BROKERS
BULL, HOLDEN & Co
MEMBERS NEW YORK STOCK EXCHANGE
14 WALL ST., NEW YORK 5, N. Y.
TELEPHONE—RECTOR 2-6300

ELECTRONICS
RAILS
INDUSTRIALS
Kobbé, Gearhart & Co.
INCORPORATED
Members N. Y. Security Dealers Ass'n
45 Nassau Street New York 5
Tel. REctor 2-3600 Teletype N. Y. 1-576
Philadelphia Telephone: Enterprise 6015

Acme Aluminum
Alloys, Inc.
Common & Preferred
Aireon Manufacturing
Corporation
Preferred
Prospectus on request
Reynolds & Co.
Members New York Stock Exchange
120 Broadway, New York 5, N. Y.
Telephone: REctor 2-7400
Bell Teletype NY 1-635

AMERICAN MADE
MARKETS IN
CANADIAN
SECURITIES
HART SMITH & CO.
Members
New York Security Dealers Assn.
52 WILLIAM ST., N. Y. 5 HAnover 2-0980
Bell Teletype NY 1-395
New York Montreal Toronto

New England
Public Service Co.
PREFERREDS
•
IRA HAUPT & CO.
Members of Principal Exchanges
111 Broadway New York 6
REctor 2-3100 Tele. NY 1-1920
10 Post Office Sq. Boston 9
Hancock 3750
Direct Private Wire to Boston

Trading Markets in:
General Box
Sentinel Radio
Missouri Pacific
Old Pfd. & Com.
Great Amer. Industries
KING & KING
Established 1920
Members
New York Security Dealers Ass'n
Nat'l Ass'n of Securities Dealers, Inc.
40 Exchange Pl., N.Y. 5 HA 2-2772
BELL TELETYPE NY 1-423

Carborundum Co.
Elk Horn Coal, Com.
Kearney & Trecker
Kingan & Co., Com. & Pfd.
Kendall Co., Common
Mayflower Hotel, Common
Sirian Lamp, Pfd.
Mitchell & Company
Members Baltimore Stock Exchange
120 Broadway, N. Y. 5
WOrth 2-4230
Bell Teletype N. Y. 1-1227

WE OFFER SUBJECT
100 Shares
New York &
Pennsylvania Co.
7% Preferred
At $120 a share
To yield 5.83%
Vanderhoef & Robinson
Members New York Curb Exchange
31 Nassau Street, New York 5
Telephone COrtlandt 7-4070
Bell System Teletype NY 1-1548

Associated Gen. Util.
Common
Byrndun Corporation
Common
Indiana Limestone
6s, 1952
National Service
Preferred
Westchester Service
4s, 1953
H. G. BRUNS & CO.
20 Pine Street, New York 5
Telephone: WHitehall 3-1223
Bell Teletype NY 1-1843

Boston & Maine Railroad
Stpd. Pfds.
Boston Terminal 3½s, 1947
Long Island Lighting
Common & Preferred
Marion Steam Shovel, Pfd.
United Piece Dye Works
Common & Preferred
Greene and Company
Members N. Y. Security Dealers Assn.
37 Wall St., N. Y. 5 Hanover 2-4850
Bell Teletypes—NY 1-1126 & 1127

Associated
Gas
Associated
Electric
All Issues
G. A. Saxton & Co., Inc.
70 PINE ST., N. Y. 5 WHitehall 4-4970
Teletype NY 1-609

We Maintain Active Markets in U. S. FUNDS for
CANADIAN INDUSTRIALS
CANADIAN BANKS
CANADIAN MINES
CANADIAN UTILITIES
Canadian Securities Dep't.
GOODBODY & CO.
Members N. Y. Stock Exchange and Other Principal Exchanges
115 BROADWAY NEW YORK 6, N. Y.
Telephone BArclay 7-0100 Teletype NY 1-672

Investing in America's Vital And Growing Companies

By CHARLES J. COLLINS*

President, Investment Letters, Inc., Detroit
Chairman, Investment Counsel, Inc., Detroit

Investment Analyst Points Out That Since No One Has Ever Found a Means of Buying Stocks at the Lowest Prices and Selling Them at the Highest, the Best Available Secure Method of Investment Is to Select Stocks in Growing Industries Which Have Maximum Appreciation Possibilities. Maintains That While the Effects of Price Swings Due to Business Cycles Cannot Be Avoided, These Stocks, in an Advance Exceed the Rise in the Dow-Jones Industrial Average. Supports Views With Charts and Explanations.

Scientists have the very convenient practice of working out problems *in vacuo*. By this method bothersome or inexact and undesirable factors are eliminated and an ideal solution can be found. This, for inanimate things, is a very happy procedure.

Charles J. Collins

If we, who are security analysts, could work out our problems *in vacuo*, I know the most undesirable factor that we would exclude would be the large swings in the general level of bond or stock prices based on influences extraneous to the securities themselves. In bonds I refer to the periods of great capital accumulation or depletion that bear so importantly on money rates. In stocks I refer to the cyclical and political influences that underlie the ebb and flow of business and public psychology.

Herbert Spencer once referred to a very beautiful theory being murdered by an ugly little fact. The ugly little development that frequently gets in the way of the stock analyst is one of these unanticipated general reversals in prices that will temporarily take the price of a carefully selected and well chosen issue appreciably below or appreciably beyond values. This, naturally, has turned the analyst's attention to the study of these general movements also and excellent work has been done both in defining their intensity and forecasting their oc-

---

*An address by Mr. Collins before the New York Society of Security Analysts, April 19, 1945.

(Continued on page 1852)

McQuay-Norris
4¼% Conv. Pfd.
Bought—Sold—Quoted
McDONNELL & Co
Members
New York Stock Exchange
New York Curb Exchange
120 BROADWAY, NEW YORK
Tel. REctor 2-7815

Straus & Blosser Adds Wehrmeister to Staff

(Special to THE FINANCIAL CHRONICLE)

CHICAGO, ILL. — William J. Wehrmeister, Jr. has become associated with Straus & Blosser, 135 South La Salle Street, members of the New York Stock Exchange. Mr. Wehrmeister was an officer of Alexander & Co., Inc.

Now Edgerton, Wykoff Co.

LOS ANGELES, CALIF.—The firm name of W. J. Dunn & Company, 621 South Spring Street, has been changed to Edgerton, Wykoff & Company.

Says British Colonial Preference Pacts Hamper World Trade

Howard P. Whidden Holds Such Tariff Schemes Hamper World Trade. Says Great Britain Has Not Benefited by Her Colonial Reciprocal Trade Agreements, and Suggests U. S. Alter Tariff Policy With Relation to Territorial Possessions.

The Ottawa system of special trade privileges for Empire products is attacked as an obstacle to the expansion of post-war international commerce by Dr. Howard P. Whidden, economist, associated with the New York State Chamber of Commerce, in a study entitled "Preferences and Discriminations in International Trade." This report, which analyzes regional and political favoritism, is published by the Committee on International Economic Policy in cooperation with the Carnegie Endowment for International Peace.

H. C. Whidden, Jr.

To rid the world of preferential tariff schemes, however, Dr. Whidden says not only Britain but all nations must make concessions for the reduction of trade barriers. The United States, as the greatest single concentration of industrial and purchasing power in the world, should take the lead quickly and decisively, if the principle of equal trading opportunity is to function under a general security system and healthy world trade is to be reestablished.

The Ottawa system, as developed between two world wars, states the author, proved of doubtful value even to Britain and her Dominions, through loss of outside trade. Further admission of its weakness as a trade principle was indicated by the reciprocal trade agreements signed in 1938 between Britain and Canada with the United States. Present-day British opinion, however, Dr. Whidden warns, tends to consider imperial preferences equally justified, as a measure for defending national interests, as our American protective tariffs. If, therefore, the British Empire is expected to make changes, the United States would also have to establish the Open Door policy in its own dependencies, such as the Virgin Islands, Samoa and the Philippines, and in general adopt a policy of lowered tariffs. Trade relations among the United Nations, however, Dr. Whidden underlines, should not become a mere bargaining of one concession against another, but should represent mutual agreemnts among all the nations to abolish restricting trade practices throughout the world.

"Leadership in rebuilding a world economy based on the principle of equality will inevitably fall on the United

(Continued on page 1831)

Segal
Lock & Hardware *
Preferred
Wellman
Engineering Co. *
Common
Circular Upon Request
Simons, Linburn & Co.
Members New York Stock Exchange
25 Broad St., New York 4, N. Y.
HAnover 2-0600 Tele. NY 1-210

Trading Markets (For dealers only)
Bell & Howell
Corning Glass Works
Grayson Shops, Inc.
Hytron Radio
Prospectus on Request
Troster, Currie & Summers
Members N. Y. Security Dealers Ass'n
74 Trinity Place, N. Y. 6 HA 2-2400
Teletype NY 1-376-377
Private Wires to Buffalo - Cleveland
Detroit - Pittsburgh - St. Louis

New York Market
for
Ohio Securities
WM. J. MERICKA & CO.
INCORPORATED
Members Cleveland Stock Exchange
Union Commerce Bldg., Cleveland 14
Telephone MAin 8500
29 Broadway, New York 6
WHitehall 4-3640
Direct Private Wire to Cleveland

P. R. MALLORY
& CO., INC.
Bought — Sold — Quoted
Analysis on Request
STEINER, ROUSE & Co.
Members New York Stock Exchange
25 Broad St., New York 4, N. Y.
HAnover 2-0700 NY 1-1557
New Orleans, La.-Birmingham, Ala.
Direct wires to our branch offices

Chicago Corp.
Red Rock Bottlers
W. L. Maxson
S. F. Bowser Co.
Edward A. Purcell & Co.
Members New York Stock Exchange
Members New York Curb Exchange
65 Broadway WHitehall 4-8120
Bell System Teletype NY 1-1919

Central States Elec. (Va.)
Common Stock
Great Amer. Industries
Nat. Commercial Title &
Mtge. Guar. Com. & Pfd.
Frank C. Masterson & Co.
Members New York Curb Exchange
64 WALL ST. NEW YORK 5
Teletype NY 1-1140 HAnover 2-9470

Trading Markets
Cross Company*
Liquidometer Corp.*
Delaware Rayon "A"*
New Bedford Rayon "A"*
Great American Industries*
Hartman Tobacco*
Indiana Limestone, 6s, '52
*Analysis on request
F. H. Koller & Co., Inc.
Members N. Y. Security Dealers Ass'n
111 Broadway, New York 6, N. Y.
BArclay 7-0570 NY 1-1026

R. W. PRESSPRICH & CO.
Members New York Stock Exchange
68 William Street, New York
BOSTON: 201 Devonshire St.
GOVERNMENT, MUNICIPAL,
RAILROAD, PUBLIC UTILITY
& INDUSTRIAL BONDS
INVESTMENT STOCKS
Knowledge • Experience • Facilities
. . . for Investors

Federal Water
& Gas Corp.
Common Stock
BOUGHT, SOLD & QUOTED
Cohû & Torrey
MEMBERS NEW YORK STOCK EXCHANGE
One Wall Street, New York 5, N. Y.

Grinnell Corp.
H. H. Robertson
Gisholt Machine
Ohio Forge & Mach.
Kellogg Company
Welch Grape Juice

STRAUSS BROS.
Members New York Security Dealers Ass'n
32 Broadway Board of Trade Bldg.
NEW YORK 4 CHICAGO 4
DIgby 4-8640 Harrison 2075
Teletype NY 1-832, 834 Teletype CG 129

Our Real Estate
Securities Department
Specializes in

TITLE COMPANY
CERTIFICATES

PRUDENCE BONDS

Call us for quotations

Newburger, Loeb & Co.
Members New York Stock Exchange
40 Wall St., N.Y. 5 WHitehall 4-6330
Bell Teletype NY 1-2033

The COMMERCIAL and
FINANCIAL CHRONICLE
Reg. U. S. Patent Office

William B. Dana Company
Publishers

25 Park Place, New York 8
REctor 2-9570 to 9576

Herbert D. Seibert,
Editor and Publisher

William Dana Seibert, *President*
William D. Riggs, *Business Manager*

Thursday, April 26, 1945

Published twice a week
every Thursday
(*general news and advertising issue*)

and every Monday

(*complete statistical issue—market quotation records, corporation, banking, clearings, state and city news, etc.*)

Other Offices: 135 S. La Salle St., Chicago 3, Ill. (Telephone: State 0613); 1 Drapers' Gardens, London, E. C., England, c/o Edwards & Smith.

Copyright 1945 by William B. Dana Company

Reentered as second-class matter February 25, 1942, at the post office at New York, N. Y., under the Act of March 3, 1879.

Subscriptions in United States and Possessions, $26.00 per year; in Dominion of Canada, $27.50 per year; South and Central America, Spain, Mexico and Cuba, $29.50 per year; Great Britain, Continental Europe (except Spain), Asia, Australia and Africa, $31.00 per year.

Other Publications
Bank and Quotation Record—Mth. $20 yr.
Monthly Earnings Record—Mth...$20 yr.

NOTE—On account of the fluctuations in the rate of exchange, remittances for foreign subscriptions and advertisements must be made in New York funds.

We are interested in offerings of
High Grade
Public Utility and Industrial
PREFERRED STOCKS
Spencer Trask & Co.
25 Broad Street, New York
Telephone HAnover 2-4300 Teletype NY 1-5
Members New York Stock Exchange

B. S. LICHTENSTEIN
AND COMPANY
DAY BY DAY
IN EVERY WAY
we're making
Bigger and Better Bids
OBSOLETELY!
Obsolete Securities Dept.
99 WALL STREET, NEW YORK
Telephone WHitehall 4-6551

TITLE COMPANY
CERTIFICATES

BOUGHT - SOLD - QUOTED

Complete Statistical Information

L. J. GOLDWATER & CO.
Members New York Security Dealers Assn.
39 Broadway
New York 6, N. Y.
HAnover 2-8970 Teletype NY 1-1203

The Hub
(Henry C. Lytton & Co.)

Grayson Shops

Bought—Sold
Prospectus on Request

J. F. Reilly & Co.
Members
New York Security Dealers Assn.
111 Broadway, New York 6, N. Y.
REctor 2-5288
Bell System Teletype, NY 1-2480
Private Wire to Los Angeles

Real Estate Inflation?

By HERBERT U. NELSON*

Executive Vice-President, National Association of Real Estate Boards

After Stating the Proposed Preventives and Remedies Against Real Estate Inflation, Mr. Nelson Gives Examples of Recent Property Sales Which Would Indicate That Real Estate Prices Have Not Risen. Says Advances in Prices of Small Homes Represent Only Premiums for Immediate Occupancy, and Urges an Appraisal Approach and Not Government Fixing of Real Estate Values. Calls for Real Estate Market.

Herbert U. Nelson

Right now, different people are suggesting remedies for the so-called "real estate inflation." It is asserted that real estate inflation is here, that it is dangerous, and that somebody has to save the country right away.

Marriner Eccles of the Federal Reserve Board and Secretary Claude Wickard of the Department of Agriculture have suggested taxes on capital gains, which would virtually eliminate sales for profit. Others have suggested strong credit controls which would require very large cash payments in all transactions, thus militating against home and farm ownership. Some have even suggested ceiling prices for all real estate, but nobody can tell what a ceiling price is on a property that hasn't been sold.

Let's look at the threat of inflation in real estate. Does it amount to a national danger?

No piece of property is worth more nor will sell for more than its cost of reproduction at the time of a sale in a similar location. Real estate prices, therefore, do not stand by themselves. They are a part of the whole price structure. They are directly and especially affected by the costs of construction at any given moment. They are also affected by demand and supply, but normally in this country the real estate development and building industry has been so responsive that our chronic situation has been one of over-supply. Only the war has brought change where demand exceeds supply on a very few types.

In Chicago several large properties have been sold recently at 50 cents on the dollar of present construction cost. The Stevens Hotel, which cost over $20,000,000 to build, recently sold at $7,500,000.

Apartments are not selling presently at figures that will equal replacement costs. They cannot sell at such figures until

(Continued on page 1829)

---

*Reprinted from "Headlines," published weekly by the National Association of Real Estate Boards, April 2, 1945.

John W. Clarke Now Lieutenant-Colonel

John W. Clarke

John W. Clarke, well known head of John W. Clarke Inc., municipal investment banking house in Chicago, who has been serving with the Allied Military Government in Italy for nearly two years, has been promoted to the rank of Lieutenant Colonel.

Colonel Clarke is the financial head of one of the military compartments in Italy and has been connected with its activities since his graduation from the Army's famed School of Military Government in 1943.

Motives At Bretton Woods Hearings

By HERBERT M. BRATTER

Bankers Accused of Selfishness in Opposing the International Fund, but Are Defended by Congressman Jesse Wolcott, Ranking Republican Member of the House Banking Committee. Latter Contends That the Fund Will Be Used by Devastated Countries for Rehabilitation and Reconstruction, and Exhaust Amounts Available for Currency Stabilization. Denies That Bankers Are Opposed to Fund Because It Eliminates Gambling in Foreign Exchange.

Herbert M. Bratter

WASHINGTON, D. C.—The ears of New York bankers must have been buzzing last Friday, because their role vis-a-vis the the Bretton Woods program was under examination in both Senate and House committees. And the bankers were getting a few more kicks in the now accustomed place.

In view of the fact that a compromise on BW between the Treasury and opposing bankers has been whispered as in the offing, some Congressmen who have sincerely hoped for such a compromise are disturbed over the developments in the above-mentioned hearings. Since that single day's BW hearings fill 190 pages of transcript, we can in the space here allotted give only some of the major highlights, for the benefit of banker readers who could not be present. It will be some time yet before the transcripts become available in printed form.

Morgenthau on Bankers' Motives

The first reference to the motives of the bankers who oppose the BW Fund occured while Secretary of the Treasury Morgenthau was attempting, by pre-arrangement, to explain to the Pepper subcommittee of the Senate Small Business Committee the reason why small business should support BW. Senator George D. Aiken (R.) of Vermont, raised the question, thus:—

(Continued on page 1850)

ABA Warns Bankers on Farm Values

Agricultural Committee Points Out That Farm Land Prices in Some States Have Already Reached Boom Levels. Urges Caution in Financing Farm Purchases.

C. W. Bailey

Farm land prices in all sections of the United States have reached new high levels, according to the fifth annual farm real estate price bulletin of the Agricultural Commission of the American Bankers Association. The trend toward inflation indicated by the continuing advance in land prices emphasizes the importance of the commission's 1945 program for country banks to "Keep Agriculture Financially Sound." In a letter to the 13,000 banks serving agriculture, C. W. Bailey, Chairman of the Commission, who is also President, First National Bank, Clarksville, Tennessee, urges the banks to "do what you can to influence your customers to keep in a safe financial position."

The A.B.A. study reports that land prices as of March 1, 1945 the country over, have risen to 126% of the 1912-1914 average based at 100. This countrywide average remains below the 1920 boom peak, but the rate of increase appears to be accelerating in several states, particularly the southeastern area. Price levels have advanced in North Carolina and Alabama to a point slightly above the 1920 high, which existed temporarily before the disastrous collapse which reached

(Continued on page 1831)

PANAMA COCA-COLA
Quarterly dividend paid April 16, 1945 — $.50
DIVIDENDS:
1945 (to date) $1.25 — 1944 $2.75 — 1943 $4.50
Approximate selling price—28½
Circular on request
HOIT, ROSE & TROSTER
Established 1914
74 Trinity Place, New York 6, N. Y.
Telephone: BOwling Green 9-7400 *Teletype:* NY 1-375

Bartgis Bros.
Hooker Electrochemical
Laclede-Christy Clay Products
Haloid Corp.
Bought — Sold
Est. 1926
HERZOG & CO.
Members New York Security Dealers Ass'n.
170 *Broadway* *COrtlandt* 7-6190
Bell System Teletype NY 1-84

SUGAR
SECURITIES
•
DUNNE & CO.
Members New York Security Dealers Assn
25 Broad St., New York 4, N. Y.
WHitehall 3-0272—Teletype NY 1-956
Private Wire to Boston

Public National Bank
& Trust Co.

National Radiator Co.

Industrial Finance
Preferred

C. E. Unterberg & Co.
Members N. Y. Security Dealers Ass'n
61 Broadway, New York 6, N. Y.
Telephone BOwling Green 9-3565
Teletype NY 1-1666

WARD & Co.
EST. 1926

ACTUAL MARKETS
IN 250
ACTIVE ISSUES

Boston & Maine, Pfds.*
Bowser, Inc.*
Brockway Motor*
Corning Glass
Delta Airlines
Detroit Harvester*
Douglas Shoe, Com. & Pfd.*
Electrolux
General Machinery

Mohawk Rubber*

Michigan Chemical
Missouri Pacific 5¼'s
Pollak Mfg.
Scovill Mfg.*
Sheraton Corporation*
Triumph Explosives
United Piece Dye Works*
Wickwire-Spencer

INDUSTRIALS

Aetna Standard Eng.
American Hardware*
Bell & Howell
Buda Co.*
Gleaner Harvester*
Grayson Shops
Great Amer. Industries*
M. A. Hanna

Am. Window Glass
Com. & Pfd.

Landers Frary & Clark
Lawrence Port. Cement*
Liberty Aircraft Products*
Maguire Industries
Moxie*
Philip Carey
Riley Stoker*
Taca Airways*

TEXTILES

Alabama Mills*
Aspinook Corp.
Berkshire Fine Spinning*
Consolidated Textile
Darlington Mfg.
New Jersey Worsted*

UTILITIES

American Gas & Power
Conn. Lt. & Pr. Com.
Cons. Elec. & Gas Pfd.
Interstate Pow. 6 & 7 Pfds.
Iowa Southern Util.

Central El. & Gas Com.

Mass. Pr. & Lt. $2 Pfd.*
Nassau Suffolk Ltg. Pfd.
Peoples Lt. & Pow. Pfd.
Queens Boro Gas & Elec. Pfd.
Southeastern Corp.

ELECTRONICS

Du Mont Lab. "A"*
Magnavox Corp.*
Majestic Radio & Tel.*
P. R. Mallory*
Stromberg Carlson

*Bulletin or Circular upon request

WARD & Co.
EST. 1926
Members N. Y. Security Dealers Assn
120 BROADWAY, NEW YORK 5
REctor 2-8700 NY 1-2173 1-1288
Direct Wires to Chicago and Phila.
ENTERPRISE 'PHONES
Hartf'd 6111 Buff. 6024 Bos. 2100

We Specialize In
York Corrugating Co. Common
Our New Statistical Report now available covering this 42 year old company—representing a participation in the Automotive and Building Industries.
FIRST COLONY CORPORATION
Underwriters and Distributors of Investment Securities
70 Pine Street New York 5
Hanover 2-7793 Teletype NY 1-2425

American Arch Company
Bought—Sold—Quoted
W. J. Banigan & Co.
Successors to
CHAS. H. JONES & CO.
Established 1904
50 Broadway, N. Y. 4 HAnover 2-8380

Spokane Internat'l Ry. Rcpts.
Eastern Corporation
H. M. Byllesby pfd. and A & B
Community Water Service pfd.
Harrington & Richardson "A"
BERWALD & CO.
Members New York Security Dealers Assn.
30 Pine Street, New York 5, N. Y.
Tel. Digby 4-7900 Tele. NY 1-1790

NSTA Notes

NEW ORLEANS SECURITY TRADERS ASSOCIATION

The New Orleans Security Traders Association held their Spring Banquet Wednesday night, April 18, at one of the restaurants in the French Quarter. The usual refreshments and entertainment were present in good supply, which was an especial treat to the Municipal Traders who have been complaining so long because of the lack of supply of suitable merchandise. Everyone had a thoroughly enjoyable time with very little money changing hands but with considerable good fellowship and enjoyment prevailing.

Fred MacCormac, formerly Major MacCormac of the U. S. Army, has returned to civilian life and is once again engaged in the business with offices in the Whitney Building.

Frank Williams, Assistant Manager of the Bond Department of the National Bank of Commerce, is also a civilian again and is once more at this desk assisting Errol Buckner.

Chapman Hyams, 3rd, formerly of Hyams, Glas & Carothers, makes a third former member of the fraternity who has dropped the title of Captain from the front of his name and U.S.M.C.R. from the end of it. However, he has decided to forego the trials of the investment field and is now actively occupied as Vice-President of the Times-Picayune Publishing Company.

(Continued on page 1829)

NPA Report Holds Full Employment Can Come From Increased Buying Power

Estimates That National Output Must Be 40% Greater Than in 1941, and That Reduced Taxes on Individual Consumers, as Well as a Balanced National Budget, Is Required for This Increase.

All Americans who will need and want jobs after the war can be employed at useful work, and at good wages, if the prewar relationship between production, consumption and savings change to fit the needs of a full employment economy, according to the National Planning Association in a report issued on April 20. The most constructive way to effect this change, the report states, is to increase the buying power of individual consumers.

Full employment requires balancing the Nation's budget, the total of everybody's income and expenditures—Business, Government and Individuals—the report points out. Allowing ample time for readjustment from war to peace, the report estimates that at full employment the national output must be about 40% higher than in 1941—the last peacetime year.

Employment, however, arises out of production, and production is caused by expenditures. To provide enough jobs for full employment, therefore, the increase in expenditures must keep pace with the increase in productive capacity and efficiency. If output is 40% greater, Business, Government and Individuals together will have to buy 40% more goods and services.

In the staff report, **"National Budgets for Full Employment,"** the NPA describes possible changes in prewar relationships and incorporates these changes in three alternative budgets which would provide the necessary balance between production and expenditures at full employment levels. The 108-page report, containing extensive tables and charts, presents a picture, comparable to a businessman's operating income statement, of the balanced economy that be attained were certain changes made.

"If Business is to operate at moderate levels of expenditure for its own capital account, and if Government expenditures are to remain moderately low relative to the total economy, and if the Government budget is to be balanced, then," says the report, "consumers' expenditures must go up or full employment will not be reached or maintained. Consumers' expenditures will not go up unless the past spending and saving patterns of Individuals shift toward higher expenditures for consumption, or unless an increasing number of people in the lower income groups become larger consumers and better customers—through higher wages and salaries or through lower prices, or both."

The report concludes with the following significant question: "If it should not be wise for either Industry or Government alone to carry the primary responsibility for expenditures, then should Industry (including Labor) and Government cooperate to establish those policies which would make Individuals' expenditures the balancing governor of the economy?"

BOSTON, MASS.

Boston Wharf Company
ORGANIZED 1836
One of New England's largest industrial real estate companies
Capitalization
$450,000 mortgage note
60,000 shares capital stock
($100 par value)
Sixty year
unbroken dividend record
Currently on
$2.00 dividend basis
Priced about $39.00 per share
Inquiries invited
du Pont, Homsey Co.
Shawmut Bank Building
BOSTON 9, MASS.
Capitol 4330 Teletype BS 424

TRADING MARKETS
Giant Portland Cement
*Kingan & Co.
*Riverside Cement
*Central Iron & Steel
*Circular Available
LERNER & CO.
10 POST OFFICE SQUARE
BOSTON 9, MASS.
Tel. HUB 1990 Teletype BS 69

DETROIT

General Industries Co.
National Stamping Co.
Reports furnished on request
MERCIER, McDOWELL & DOLPHYN
Members Detroit Stock Exchange
Buhl Bldg. Cadillac 5752
DETROIT 26

GRAND RAPIDS

Simplex Paper Corp. Com.
International Rys. of Buffalo
3s-5s of 1962
Central Steel & Wire
Aeronca Aircraft Com. & Pfd.
Superior Tool & Die
WHITE, NOBLE & CO.
Members Detroit Stock Exchange
GRAND RAPIDS 2, MICH.
Phone 94336 Tele. GR 184
Detroit Office, Buhl Bldg.

Foundation Company
Gleaner Harvester Corp.
Hytron Radio & Electronics*
Wickwire Spencer Steel Co.
*Prospectus on request
J.K.Rice,Jr.&Co.
Established 1908
Members N. Y. Security Dealers Assn.
REctor 2-4500—120 Broadway
Bell System Teletype N. Y. 1-714

LOS ANGELES

Trading Market in:
Pacific American Investors
Common
Pledger & Company
Incorporated
Members of Los Angeles Stock Exchange
639 SOUTH SPRING STREET
LOS ANGELES 14, CALIF.
BELL TELETYPE LA 382

PHILADELPHIA

American Pulley Common
National Paper & Type Common
Merchants Distilling Common
Memos on request
BUCKLEY BROTHERS
Members New York, Philadelphia and Los Angeles Stock Exchanges
1529 Walnut Street, Philadelphia 2
New York Los Angeles
Pittsburgh, Pa. Hagerstown, Md.
N. Y. Telephone—WHitehall 3-7253
Private Wire System between Philadelphia, New York and Los Angeles

Missouri Public Service Corp.
Common
Central & Southwest Utilities
$7 Pfd.
BOENNING & CO.
1606 Walnut St., Philadelphia 3
Pennypacker 8200 PH 30
Private Phone to N. Y. C.
COrtlandt 7-1202

Dealer Inquiries Invited
American Box Board Co.
Odd Lots & Fractions
Botany Worsted Mills pfd. & A
Empire Steel Corp. com.
Pittsburgh Railways Co.
All Issues
Warner Co. pfd. & com.
Wawaset Securities
H. M. Byllesby & Company
PHILADELPHIA OFFICE
Stock Exchange Bldg. Phila. 2
Phone Rittenhouse 3717 Teletype PH 73

ST. LOUIS

STIX & CO.
INVESTMENT SECURITIES
509 OLIVE STREET
ST. LOUIS 1, MO.
Members St. Louis Stock Exchange

NEW TAX LAWS In NEW JERSEY

The new Corporation Business Tax Act, just passed, deserves careful attention by business executives and attorneys.

Personal Property tax laws on intangibles abolished.

No state Unincorporated Business Tax.

No state Corporation or Individual Income Tax.

Copies of New Laws Furnished on Request

COMMERCIAL TRUST COMPANY OF NEW JERSEY

15 Exchange Pl., Jersey City, N. J.
Members Federal Reserve System and Federal Deposit Insurance Corp.

Benguet Consolidated Mining

Analysis upon request

—★—

F. BLEIBTREU & Co., Inc.
79 Wall St., New York 5, N. Y.
Telephone HAnover 2-8681

ASSISTANT TRADER

wanted by active over-the-counter house. Teletype knowledge necessary. Good salary and bonus. Excellent opportunity for quick advancement. Our staff knows of this ad. *Box G 26, The Commercial & Financial Chronicle, 25 Park Place, New York 8, N. Y.*

TRADER

With fifteen years experience in all markets desires new connection. Age 43 and draft deferred. Prefers salary and commission basis. Available April 23rd. Box P 19, Commercial & Financial Chronicle, 25 Park Place, New York 8, N. Y.

Unlisted Trader

Wishes position to give service and execute orders in over-the-counter securities. Box M 19, Commercial & Financial Chronicle, 25 Park Place, New York 8.

TRADER

Heavy experience handling over-the-counter securities and rail bonds desires position with Stock Exchange house similar capacity — clientele — age 36, draft exempt. Box S 19, Commercial & Financial Chronicle, 25 Park Pl., New York 8, N. Y.

Pacific Coast Stock Exchanges

Open to 5:30 P. M. (E.W.T.)

Quotations and executions for brokers, dealers and institutions on Pacific Coast securities, including those which also have eastern markets.

Direct wires

DEAN WITTER & Co.
Members New York Stock Exchange
San Francisco Stock Exchange
and other security and commodity exchanges

14 WALL STREET BArclay 7-4300
New York San Francisco
Los Angeles Honolulu

Curb and Unlisted Securities

MICHAEL HEANEY, *Mgr.*
WALTER KANE, *Asst. Mgr.*

Joseph McManus & Co.
Members New York Curb Exchange
Chicago Stock Exchange
39 Broadway New York 6
Digby 4-3122 Teletype NY 1-1610

Albert Frank-Guenther Law, Inc.
Preferred Stock
(Par Value $2)

Bought—Sold—Quoted

Circular upon Request

George R. Cooley & Co.
INC.
Established 1924
52 William St., New York 5, N. Y.
WHitehall 4-3990 Teletype NY 1-2419

FINANCIAL MAN WANTED

Nationally known financially strong drug and chemical firm has position open with excellent prospects for high grade Assistant Treasurer. Preferable qualifications: early forties, college education, living New York area, experienced in departmental organization and management credits and collections (domestic and foreign). Highest references required. Please reply in detail, stating past earnings and experience. Box L 26, Commercial & Financial Chronicle, 25 Park Place, New York 8.

AMERICAN BANTAM CAR
6% CUMULATIVE CONV. PREFERRED
(Arrears $3.75)
$10 par (callable at 14 plus arrears)

Circular on Request

HOIT, ROSE & TROSTER
Established 1914
74 Trinity Place, New York 6, N. Y.
Telephone: BOwling Green 9-7400 *Teletype:* NY 1-375

N S T A Notes

(Continued from page 1828)

SECURITY TRADERS ASSOCIATION OF NEW YORK ANNUAL DINNER

The annual dinner of The Security Traders Association of New York, held April 20 at the Waldorf-Astoria Hotel, was attended by over 1,200 members and guests.

Richard F. Abbe of Van Tuyl & Abbe, President of the New York Association, in a brief address pointed to the fact that the organization was now ten years old. He said: "The organization's stated purpose is 'to promote the general welfare of its members; to establish and maintain high standards of conduct and ethical practices in the trading division of the investment security and banking business; to provide the benefits which are to be derived from personal acquaintance between those who are engaged in such business, and to afford the means of discussing matters relating thereto.' The mutual advantages of our constantly promoting this creed will far outweigh and outlast all the ironclad rules and regulations with which our business is fraught. We are an association of individuals—not firms. Therefore we can, through our sincere efforts, spread this doctrine to our homes and among our neighbors and assist in establishing universally the good will due the securities business. We are justly proud to be members of this profession."

The invited guests included Edward E. Parsons, Jr., of Wm. J. Mericka & Co., Inc., President of the National Security Traders Association, Inc., members of Security and Exchange Commission, financial editors, officials of important security exchanges and of the National Association of Security Dealers, as well as the Presidents of Security Traders Associations from other cities.

PROPOSED BY-LAW CHANGES

The response to the recent questionnaire sent out by the Security Traders Association of New York requesting opinions as to the advisability of making certain changes in By-Laws was most gratifying, the Association reports.

They showed almost complete agreement regarding Questions No. 1 and 2—that the membership limit should be increased by 50, and that the initiation fee be raised to $15.00. On Question No. 3, opinions were more varied, but a large majority were in favor of having a maximum age limit for new members, the average of all suggestions being 53.8 years.

A special meeting of the members is to be held on Monday, May 14, 1945, at 5:00 p.m. sharp, at the Produce Exchange Luncheon Club for the purpose of acting on the proposed changes in the By-Laws, as recommended by the Gratuity Fund Trustees, By-Laws Committee and Board of Directors. Briefly, they provide for an increase in membership of 50, to a total of 450; an increase of $10.00 to a total of $15.00 in the initiation fee for new members, with the additional $10.00 to go to the Gratuity Fund; and an age limit of 55 for new members. The other changes are merely to correct typographical or minor errors or to clarify several passages which are at present conflicting.

Real Estate Inflation?

(Continued from page 1827)

the ceiling on rents is removed and we have a free market again. Good homes in the higher brackets are still selling at far below reproduction cost, as every realtor knows.

It is true that in some areas small homes are bid up by buyers who are paying a premium for immediate occupancy. Such a buyer is obviously not a speculator. He expects to lose his excess investment. He is simply paying for his own necessity and convenience. This does not constitute an inflationary market.

As to inflation in farm values, this, too, is doubtful. Some Government statistics compare present farm prices with the 1935 to 1939 average. Everybody knows that this was a period of depression in farm values. Government statisticians then try to show that there has been a national price increase of 52% above this average. In some places 52% hardly constitutes a full recovery and is certainly not a capitalization of current farm prosperity. Farmers have been bitten by inflation before, and they are slow to speculate.

Our Association has the function of trying to operate the real estate market. We are the dominant group in it. We have, therefore, a real responsibility if inflationary danger truly comes.

There are remedies for inflation which do not involve Government price fixing. The appraisal approach should be considered. If sellers had to file an appraisal by an accredited appraiser with their documents of transfer and such appraisals could be made public the educational effect on buyer, seller, lending institution, and the public would be tremendous. We have good evidence that such a system would work. FHA has done it. The Veterans' Administration is now doing it for veteran's purchases. This avenue should be thoughtfully and carefully explored with responsible Government officials. The industry itself should, in turn, be fully consulted by the Government before it tinkers with capital values in real estate or in any other field.

The capital markets must always be left free. They are the only vehicles through which our economy can continually adjust itself and continually expand. If capital markets are frozen by any device the only possible result will be stagnation and retarding of the war effort. Imagine a situation, for instance, where great new factories are established to product war materials. If the capital markets for real estate are frozen, how can the vast new numbers of employees find accommodations and adjust themselves to a new community? It could not be done unless the Government confiscated practically the whole community. Control of capital markets is the most direct and the most final step towards complete State socialism.

Let us, therefore, resist in every possible way unsound governmental control of our real estate prices and of all capital markets. Let us at the same time be fully cooperative and responsible in our actions to meet any real inflationary danger. We have not come to that time yet.

To Be Ripley & Co.

Heinzelmann & Ripley, 40 Exchange Place, New York City, will change their firm name to Ripley & Co., effective May 1.

AMERICAN MADE MARKETS IN CANADIAN SECURITIES

Bank of Montreal
Canadian Bk. of Commerce
Royal Bank of Canada

Andian National Corp.
Brown Company Com. & Pfd.
Electrolux
International Utilities
Minnesota & Ontario Paper Co.
Noranda Mines
Sun Life Assurance

HART SMITH & CO.
52 WILLIAM St., N. Y. 5 HAnover 2-0980
Bell Teletype NY 1-395
New York Montreal Toronto

Community Water Service
5½s-6s 1946
Crescent Public Service 6s 1954
East Coast Public Service
4s 1948
Eastern Minnesota Pr. 5½s '51
Minneapolis & St. Louis Ry.
Issues
Securities Co. of N. Y.
4% Consols

Frederic H. Hatch & Co.
Incorporated
Members N. Y. Security Dealers Ass'n
63 Wall Street New York 5, N. Y.
Bell Teletype NY 1-897

American Locomotive 7% Pfd.
Brill Corp. 7% Pfd.
Cayuga & Susquehanna
N. Y. Lack. & Western
Western Pacific 5s, 1946
Phila. Reading Coal & Iron
6s, 1949

GUDE, WINMILL & CO.
Members New York Stock Exchange
1 Wall St., New York 5, N. Y.
DIgby 4-7060 Teletype NY 1-955

American Maize Products Co.

Eastern Sugar Associates, Common

Ohio Match Co.

Frederic H. Hatch & Co.
Incorporated
Members N. Y. Security Dealers Ass'n
63 Wall Street New York 5, N. Y.
Bell Teletype NY 1-897

Punta Alegre Sugar Corp.
Haytian Corp.

Quotations Upon Request

FARR & CO.
Members
New York Stock Exchange
New York Coffee & Sugar Exchange
120 WALL ST., NEW YORK
TEL. HANOVER 2-9612

Donn Marvin Opens

OSSINING, N. Y.—Donn Marvin is engaging in a securities business from offices at Pines Bridge Road.

Trading Markets In
Central Electric & Gas
Fuller Mfg. Co.
Hallicrafters
Nu Enamel
•
C. L. Schmidt & Co.
Established 1922
120 South La Salle Street
CHICAGO 3
Tel. Randolph 6960 Tele. CG 271

TRADING MARKETS:
Hallicrafters Co.
E. H. Scott Radio
Sentinel Radio
Warren Petroleum
(Prospectuses available upon request)
W. J. Sennott, Jr. — Fred J. Cook
Clement, Curtis & Co.
Members N. Y. Stock Exch. and Others
134 S. LA SALLE ST.
CHICAGO 3
Randolph 6800 Teletype CG 214

SINCE 1908
FRED. W. FAIRMAN CO.
Members
Chicago Stock Exchange
Chicago Board of Trade
Firm Trading Markets
Garrett Corporation
Magnavox Common
Federal Mach. & Welder
Midland Utility 6/38
208 SOUTH LA SALLE ST.
CHICAGO 4, ILLINOIS
Telephone Randolph 4068
Bell System CG 537

Federal Electric "A"
Consolidated Cement Corp. "A"
Chicago Corp. Common
—
E. H. Rollins & Sons
Incorporated
135 South La Salle Street,
CHICAGO 3
CG 530 Central 7540
Direct Wires To Our Offices In Principal Cities Throughout the Country

Central Steel & Wire, Com.
Globe Steel Tubes Co. Com.
Lincoln Ptg. Co. 6-1963
Parker Appliance, Com.
Snap-On Tools, Com.
Woodward Governor, Com.
Paul H. Davis & Co.
Established 1916
Members Principal Stock Exchanges
Chicago Board of Trade
10 So. La Salle St., Chicago 3
Tel. Franklin 8622 Teletype CG 405
Indianapolis, Ind. - Rockford, Ill.

An Interesting Study of
Four Wheel Drive
Auto Company
New four page brochure now available on request
•
COMSTOCK & Co.
CHICAGO 4
231 So. La Salle St. Dearborn 1501
Teletype CG 257

—*We Maintain Active Markets In*—
INTERSTATE BAKERIES CORP. 4¼s, 1962
DEEP ROCK OIL CORP. Common
GALVIN MANUFACTURING CORP. Common
H. M. Byllesby and Company
Incorporated
135 So. La Salle Street, Chicago 3
Telephone State 8711 Teletype CG 273
New York Philadelphia Pittsburgh Minneapolis

CARTER H. CORBREY & CO.
Member, National Association of Securities Dealers
WHOLESALE DISTRIBUTORS
MIDDLE WEST — PACIFIC COAST
FOR
UNDERWRITERS
SECONDARY MARKET DISTRIBUTION
CHICAGO 3 LOS ANGELES 14
135 LaSalle St. 650 S. Spring St.
State 6502 CG 362 Trinity 3908

Dealer-Broker Investment Recommendations and Literature

It is understood that the firms mentioned will be pleased to send interested parties the following literature:

Comparative Insurance Stock Values — A tabulation — **Huff, Geyer & Hecht,** 67 Wall Street, New York 5, N. Y.

Employment Problem in Reconversion—In the current issue of **"Investors' Almanac"—Estabrook & Co.,** 15 State Street, Boston 1, Mass.

For Post-War — Circulars on **Colorado & Southern, Flour Mills of America, Interstate Air & Engineering, Merchants Distilling, Nu-Enamel,** and **Simplicity Pattern—Bennett, Spanier & Co., Inc.,** 105 South La Salle Street, Chicago 3, Ill.

Monthly Stock and Bond Summaries—May be had at a cost of $72 each per year, or a total of $144 a year for the complete service which includes two cloth bound volumes and ten paper bound issues—a special free trial offer is available—**National Quotation Bureau,** 46 Front Street, New York, N. Y.

New Tax Laws in New Jersey—Copies of the new laws on request—**Commercial Trust Co. of New Jersey,** 15 Exchange Place, Jersey City, N. J.

Road to Serfdom—A condensation from the book by Friedrich A. Hayek, reprinted from the April Reader's Digest — **B. S. Lichtenstein & Co.,** 99 Wall Street, New York 5, N. Y.

Alabama Great Southern RR.—Descriptive circular — **Adams & Peck,** 63 Wall Street, New York 5, New York.

American Bantam Car—Circular on this situation—**Hoit, Rose & Troster,** 74 Trinity Place, New York 6, N. Y.

American Hardware — Special study—**Goodbody & Co.,** 115 Broadway, New York 6, N. Y.

American Pulley common — Memorandum—**Buckley Brothers,** 1529 Walnut Street, Philadelphia 2, Pa.

Also available are circulars on **National Paper & Type** common and **Merchants Distilling** common.

Associated Gas & Electric Corp.—Review of recent developments and discussion of possible value of new securities—**H. Hentz & Co.,** 60 Beaver Street, New York 4, New York.

Also available, a memorandum of **Research Comment** and the **Fortnightly Investment Letter.**

Benguet Consolidated Mining Co. — Analysis — **F. Bleibtreu & Co., Inc.,** 79 Wall Street, New York 5, N. Y.

Boston Terminal 3½s of 1947—Analytical report describing reorganization status and proposed plan—**Greene & Co.,** 37 Wall Street, New York 5, N. Y.

Boston Terminal Company—A three-part study — **Graham, Parsons & Co.,** 50 Congress Street, Boston, Mass.

Central Hanover Bank & Trust — Bulletin — **Laird, Bissell & Meeds,** 120 Broadway, New York 5, N. Y.

Central Iron & Steel—Bulletin on recent developments—**Lerner & Co.,** 10 Post Office Square, Boston 9, Mass.

Also available are circulars on **Kingan & Co.** and **Riverside Cement.**

Chicago, Milwaukee, St. Paul & Pacific Railroad—Complete arbitrage proposition—**Sutro Bros. & Co.,** 120 Broadway, New York 5, N. Y.

Chicago, Rock Island & Pacific Railway Co.—Discussion of developments and appraisal of ultimate value of principal Rock Island issues—**Vilas & Hickey,** 49 Wall Street, New York 5, N. Y.

Cleveland Cliffs Iron Company—Analytical discussion and reason why cumulative preferred stock is considered attractive by **G. A. Saxton & Co., Inc.,** 70 Pine Street, New York 5, N. Y.

Also available, **The Preferred Stock Guide** for April, containing quotations on unlisted public utility preferred and common stocks.

Cliffs Corporation — Discussion of attractive possibilities — **Maxwell, Marshall & Co.,** 647 South Spring Street, Los Angeles 14, Calif.

Cross Co. Common Stock—Analysis of reasons for considering this an attractive low-priced situation—**F. H. Koller & Co., Inc.,** 111 Broadway, New York 6, N. Y.

Also available are memoranda on **Liquidometer Corp., Great American Industries, Hartman Tobacco** and **New Bedford Rayon.**

Crowell Collier Pub.—Special research study—**Goodbody & Co.,** 115 Broadway, New York 6, N. Y.

A. De Pinna Company—Descriptive circular—**Herrick, Waddell & Co., Inc.,** 55 Liberty Street, New York 5, N. Y.

Detroit Harvester Co.—Review of the situation—**Reynolds & Co.,** 120 Broadway, New York 5, N. Y.

Electronic Co. Common—Report discussing this stock as an attractive low-priced dividend payer—**Hughes & Treat,** 40 Wall Street, New York 5, N. Y.

Empire Steel Corp.—Annual report—**Hill, Thompson & Co., Inc.,** 120 Broadway, New York 5, N. Y.

Four Wheel Drive Auto Company—Four-page illustrated brochure, for dealers only—**Comstock & Co.,** 231 South La Salle Street, Chicago 4, Ill.

Garrett Corporation—Brochure and statistical information, available to dealers—**Fred W. Fairman & Co.,** 208 South La Salle Street, Chicago 4, Ill.

General Industries Co. — Detailed discussion of position and outlook — **Mercier, McDowell & Dolphyn,** Buhl Building, Detroit 26, Mich.

Also available is a report on **National Stamping Co.**

Albert Frank-Guenther Law, Inc., preferred stock—Circular—**George R. Cooley & Co., Inc.,** 52 William Street, New York 5, N. Y.

Hallicrafters Co. — Descriptive memorandum — **Doyle, O'Connor & Co., Inc.,** 135 South La Salle Street, Chicago 3, Ill.

M. A. Hanna Co. and **Hooker Electro Chemical** — Engineering field reports available—**Herzog & Co.,** 170 Broadway, New York 7, N. Y.

Macfadden Pub. Inc.—Descriptive circular—**C. E. de Willers & Co.,** 120 Broadway, New York 5 N. Y.

Magnavox Company—Brochure and statistical information, available to dealers—**Fred W. Fairman & Co.,** 208 South La Salle Street. Chicago 4, Ill.

P. R. Mallory & Co., Inc.—Analytical discussion — **Steiner, Rouse & Co.,** 25 Broad Street, New York 4, N. Y.

Maryland Casualty Company—Analytical discussion—**Mackubin, Legg & Co.,** 22 Light Street, Baltimore 3, Md.

Also available are reports on **Merchants Fire Assurance Corp., New Amsterdam Casualty Co., St. Paul Fire & Marine Insurance Co., Seaboard Surety Co., Standard Accident Insurance Co.,** and **Universal Insurance Co.**

Morris & Essex 3½s of 2000—Descriptitve circular — **Adams & Peck,** 63 Wall Street, New York 5, New York.

National Radiator Co.—Analysis, for dealers only—**C. E. Unterberg & Co.,** 61 Broadway, New York 6, N. Y.

Oxford Paper preferred & common — Analytical study — **Goodbody & Co.,** 115 Broadway, New York 6, N. Y.

Panama Coca-Cola—Discussion of this situation—**Hoit, Rose & Troster,** 74 Trinity Place, New York 6, N. Y.

Pfaudler Co. — Recent analysis discussing outlook for the company which manufactures glass lined and stainless steel tanks and equipment — **Caswell & Co.,** 120 South La Salle Street, Chicago 3, Ill.

Pittsburgh Railways — Current study—**First Colony Corporation,** 70 Pine Street, New York 5, N. Y.

Public National Bank & Trust Company—Analysis and current notes—**C. E. Unterberg & Co., 61** Broadway, New York 6, N. Y.

Reading Company — Offering circular—**Hirsch & Co.,** 25 Broad Street, New York 4, N. Y.

Reed Drug Co.—Discussion of class A convertible stock for income and possible appreciation, and the common stock as a speculation—**First Colony Corporation,** 70 Pine Street, New York 5, N. Y.

Schenley Distillers Corporation—Brochure of articles they have been running in the Chronicle—write to Mark Merit, in care of **Schenley Distillers Corporation,** 350 Fifth Avenue, New York **1,** N. Y.

Seaboard Railway Company—Complete arbitrage proposition on request—**Sutro Bros. & Co.,** 120 Broadway, New York 5, N. Y.

Segal Lock—Post-war outlook—**Simons, Linburn & Co.,** 25 Broad Street, New York 4, N. Y.

Serrick Corp. class A—Current bulletin—**Sills, Minton & Co., Inc.,** 209 South La Salle Street, Chicago 4, Illinois.

Stromberg-Carlson — Descriptive circular—**J. F. Reilly & Co.,** 111 Broadway, New York 6, N. Y.

Also available are circulars on **Bowser, Inc.,** and **Foundation Co.**

Sylvania Industrial Corporation—Discussion of five attractive features of the situation, which is

(Continued on page 1831)

Adams & Co. Adds Nason

(Special to THE FINANCIAL CHRONICLE)

Randolph P. Nason has become associated with Adams & Co., 231 South La Salle Street, Chicago, Ill. Mr. Nason has been with International Statistical Bureau, Inc. of New York City.

Corbrey in New Quarters

CHICAGO, ILL. — Carter H. Corbrey & Co. announces the removal of their offices to larger quarters in the Field Building, with increased facilities. The firm has installed a large switchboard and the phone number has been changed to State 6502.

AMERICAN WINDOW GLASS CO.
S. F. BOWSER CO.
CENTRAL ELECTRIC & GAS CO.
UNITED BRICK & TILE CO.
UTAH RADIO PRODUCTS 4½/54
KNEELAND & CO.
BOARD OF TRADE BUILDING
141 W. JACKSON BLVD., CHICAGO 4
Tel. WAB. 8686 and Western Union Telephone Tele. CG 640, 641 & 642

For **POST-WAR**

Colorado and Southern—com. & pfd.
Flour Mills of America
Interstate Air & Engineering
Merchants Distilling
Nu-Enamel
Simplicity Pattern — pfd.

Bought — Sold — Quoted

Circulars on Request

BENNETT, SPANIER & CO., Inc.
105 SO. LA SALLE STREET **CHICAGO 3**
CENtral 4274 CG 1040

Dealer-Broker Investment Recommendations and Literature

(Continued from page 1830)

considered as a dividend-paying peace-time growth stock with good war-time earnings by **Loewi & Co.**, 225 East Mason Street, Milwaukee, Wis.

TACA Airways SA.—Discussion of attractive prospects for return and appreciation—**Ward & Co.**, 120 Broadway, New York 5, N. Y. Also available are late memoranda on:

Du Mont Laboratories "A"; Great American Industries; Massachusetts Power & Light $2 preferred; Majestic Radio; Magnavox Corp.; Electrolux; Brockway Motors; Scovill Mfg.; Riley Stoker; Alabama Mills, Inc.; American Hardware; Douglas Shoe; Hortford-Empire; Maine Central Pfd.; Moxie; Southeastern Corp.; United Piece Dye Works; Detroit Harvester; Boston & Maine; Buda Co.; Federal Machine & Welding; Gleaner Harvester; Liberty Aircraft Products; Lamson - Sessions; Berkshire Fine Spinning, Bowser, Inc.; New Jersey Worsted; Mohawk Rubber Co., and **P. R. Mallory.**

U. S. Truck Lines, Inc.—Memorandum—**Otis & Co.**, Terminal Tower, Cleveland 13, Ohio.

Also available memoranda on **Standard Stoker Co.** and **Steep Rock Iron Mines, Ltd.**

Wellman Engineering Co.—Circular—**WM. J. Mericka & Co., Inc.**, Union Commerce Building, Cleveland 14, Ohio.

Wellman Engineering Co.—Descriptive circular—**Simons, Linburn & Co.**, 25 Broad Street, New York 4, N. Y.

Wilmington Chemical Corporation—Descriptive circular—**Hill, Thompson & Co., Inc.**, 120 Broadway, New York 5, N. Y.

York Corrugating Co.—New statistical report—**First Colony Corporation**, 70 Pine Street, New York 5, N. Y.

Yuba Consolidated Gold Fields—Analytical discussion of possibilities for price enhancement—**Cartwright & Parmelee**, 70 Pine Street, New York 5, N. Y.

ABA Warns Bankers on Farm Values

(Continued from page 1827)

its bottom in 1933. Other states in which present prices are above the boom levels of 1920 include Rhode Island, Connecticut, New Jersey, and California. Present levels in Oregon are equal to those existing during that inflation period.

"Farm land prices continue to rise in all states," Mr. Bailey said. "By March 1, 1945, the increase during this war ranged from 17% in North Dakota to 96% in South Carolina. New data concerning this situation should have the attention of all banks.

"Taking Indiana as an example, the average price now is 124% of the 1912-1914 base price. That is well on the way to the high of 161 reached in 1920 when the land boom 'busted.' This index dropped to 53 in 1933; it had climbed to 73% of the 1912-1914 base by 1939, on the eve of World War II. It was up another 39 points to 112 in 1944, and in the last year has gone up 1 point per month.

"Remember that averages are for entire states. Your trading area may be above or below the average in your state. Even in sections where prices are too high, there may still be good buys available in farm property.

"Other facts about nation-wide situation in farm land prices:

"1. Farm real estate sales continued in large volume in 1944, activity in the first quarter being the highest on record. Now, fewer farms are reported as being offered for sale, but the demand is increasing.

"2. Farms held by insurance companies, banks, and estates have been sold in most areas and will no longer be a dampening influence on the market.

"3. The number of farms, particularly adjacent to cities, that are resold at a profit after a short period, indicates that speculation is active. Many city people are bidding up prices beyond what bona fide farmers can pay.

"4. The proportion of sales made for cash is high—55% of all sales in 1944. However, two-fifths of the remaining transactions involved mortgages of 75% or more of the sales price. This large proportion of debt may prove troublesome when the post-war adjustment of prices occurs.

"The problem of inflation will be lessened to the extent that surplus money in the hands of farmers is used to buy War Bonds instead of farm land at high prices. We as lenders can do much by following conservative policies of financing. Speculative debts should be opposed by every means at our command."

Victor A. Uhl & Co. Is Formed in Springfield

SPRINGFIELD, ILL.—Victor A. Uhl & Company has been formed with offices in the Myers Building to engage in an investment securities business. Mr. Uhl was formerly President of Uhl, Matheny & Co., Inc.

We have a continuing interest in the following:

American Barge Lines Co. Common
American Service Co. $3.00 Part. Pfd.
Anheuser Busch Inc. Capital
Hydraulic Press Mfg. Co. Common
Mastic-Asphalt Co. Common
New Jefferson Hotel Co. 4-6% Bonds
(ST. LOUIS)
Seven-Up Bottling Co. Common & Pfd.
(ST. LOUIS)
Textron Inc. Warrants
Trailmobile Co. Common
Western Light & Telephone Co. Common

Stifel, Nicolaus & Company
INCORPORATED
Founded 1890
Chicago St. Louis

Says British Colonial Preference Pacts Hamper World Trade

(Continued from page 1826)

States," says Dr. Whidden, who advocates a convention providing for tariff reduction by all countries and general removal of rigid governmental controls, stating that such a convention might stimulate the negotiation of other agreements "on the model of the reciprocal trade agreements reached by the United States in the past decade."

Regarding stipulations for the post-war future for non-discriminatory arrangements, Dr. Whidden states that "in approaching any new discriminatory tariff arrangements contemplated for the post-war period, it will be essential for an international commercial policy organization to apply certain criteria before exceptions to the principle of equal treatment can be sanctioned as legitimate. Specific economic criteria such as the following might be applied to proposed customs unions, and probably also to tariff assimilations:

"(a) The resources and transportation facilities of the areas involved should provide reasonable assurance that, as a result of the customs union, there will develop a more economic location of industries and a more specialized production than the member countries could achieve separately. Only if this were the case would there be assurance of a generally increased purchasing power for their populations.

"(b) The attainment of a full customs union should be definitely scheduled for achievement within a fixed and reasonably short period of years. It would be essential to establish a predetermined program of reducing internal duties and other trade restrictions until they are finally eliminated.

"(c) The tariffs of the union should not on the whole be higher than the general average level of the tariffs previously applied in the constituent areas, nor should other regulations of trade be more restrictive."

As to the responsibility of the United States in its position of leadership in rebuilding a world economy based on the principle of equality, Dr. Whidden concludes that "if, under American leadership, an effective multilateral trade convension can be achieved in the near future the United States, as well as the rest of the world, would gain immeasurable benefits. Such a convention would probably call for tariff reduction by all countries; for the removal, either immediate or gradual, of quantitive import restrictions, export subsidies and foreign-exchange controls; and for the elimination of the discriminatory use of tariffs and all other forms of trade control. In addition, it might provide for the negotiation of bilateral but not exclusive agreements for further tariff reductions between pairs of nations, on the model of the reciprocal trade agreements reached by the United States in the past decade. Agreements of this kind between the United States and the members of the British Commonwealth would be especially valuable in promoting an expansion of international trade beyond that created by a general relaxation of trade restrictions. Failure on our part to take the lead in economic cooperation could only lead to a repetition of the trade warfare of the 'thirties. Accepance of the leadership which vast economic power rightly imposes on our country might well bring the return of economic order to the world and open up an era of expanding prosperity for all peoples."

CONTINUOUS INTEREST IN:

Le Roi Co. *Com.*
Koehring Co. *Com.*
Nekoosa-Edwards Paper *Com.*
Compo Shoe Mchy. *Com. & Pfd.*
Rochester Telephone Co. *Com.*
Standard Silica Co. *Com.*
North'n Pap. Mills Co. *Com. & Pfd.*
Central Elec. & Gas Co. *Pfd.*
Central Telephone Co. *Pfd.*
Hamilt'n Mfg. Co. *Part. Pref. & Com.*
James Mfg. Co. *Pfd. & Com.*
Wis. Pwr. & Lt. Co. *6 & 7% Pfd.*

LOEWI & CO.
225 EAST MASON ST. MILWAUKEE (2), WIS.
PHONES—Daly 5392 Chicago: State 0933 Teletype MI 488

Trading Markets
CHICAGO TRACTION BONDS

KITCHEN & CO.
135 South La Salle Street
Chicago 3, Ill.
Tel. STAte 4950 Tele. CG 573

Galvin Mfg. Co.
Burton Dixie Co.
Deep Rock Oil Co.
Central Soya Co.
Des Moines Rys.
Old Ben Coal Co.

—★—

HICKEY & CO.
Field Bldg., Chicago 3
Randolph 8800 CG 1234-5
Direct wire to New York

ACTIVE TRADING MARKETS

National Terminals Corp.
Common & Preferred
Franklin County Coal Corp.
Common & Preferred
Howell Elec. Motors
Interstate Aircraft & Engineering Corp.
Common

ADAMS & CO.
231 South La Salle Street
Chicago 4, Illinois
Teletype CG 361 Phone State 0101

Caleb Fudge Rejoins Staff of Sincere & Co.

CHICAGO, ILL. — Caleb S. Fudge, who has recently been serving in the U. S. Army as Captain, has rejoined Sincere & Co., 231 South La Salle St., members of the New York and Chicago Stock Exchanges. Prior to entering the service Mr. Fudge had been with Sincere & Co. for many years.

Bargren With King & Conrads

(Special to THE FINANCIAL CHRONICLE)

ROCKFORD, ILL. — Robert Bargren has been added to the staff of King & Conrads, 317 West State Street.

Federally Insured Certificates To Yield . . . 3% 3½%

AGGREGATING $25,000,000.00

Have been purchased thru us by Trust Companies, Trust Departments, Estates, Pensions.

SELECT FROM OUR LISTS AND PLACE YOUR FUNDS DIRECT — NO FEES

Federally Insured Savings & Loan Associations about 400 Represented—located in every section of the Country, offer Liquidity, Insured safety of Principal, complete freedom from market losses—

FINANCIAL Development Co.
NOT INC.
105 SO. LA SALLE ST., CHICAGO 3

End Deficit Spending: Tydings

(Continued from first page)

mately $300,000,000,000 when hostilities cease. This is a large amount of money. It represents an average of $8,500 against every family in America, rich and poor, high and low, black and white. We all know that no Government can be strong whose financial condition is weak. It therefore behooves us to take stock, and as soon as possible in the post-war period to proceed on a 'pay-as-you-go' basis. It will be dangerous for our Government to pursue the policy of borrow-and-spend in the post-war years. The final disastrous effect of such a policy will far, very far, outweigh any temporary good that may come from its continuance."

Continuing, Senator Tydings said:

"I have introduced into the Congress a Constitutional Amendment providing that in peace years Congress cannot appropriate more money that it takes in, unless three-fifths of the members of each House by a formal roll-call vote so to do. If this measure is adopted it will compel the Government to live within its means in peace-time years. Only in case of really great national emergency is deficit spending ever justified. In such really great national emergency, either from causes within or without, Congress could borrow beyond its income if three-fifths of the members of each House formally vote so to do. Otherwise the Government would be compelled always, in peace-time, to live within its means.

"In my opinion, the adoption of this amendment would give confidence, respect and assurance, and unequaled encouragement to business, large and small, and to our people everywhere. I am hoping that public sentiment may support this proposal and that at some not far distant date it may be written into the Constitution of the United States.

"Quite often the effects—good or bad—of a governmental policy do not fully reveal themselves until years after the policy has been inaugurated. I want to repeat that for emphasis. Quite often the effects—good or bad—of a governmental policy do not fully reveal themselves until years after the policy has been inaugurated.

"This is particularly true of countries which have practiced deficit spending. Up to the year 1925 the Royal Italian Government had enjoyed 63 years of national existence. For 44 of those 66 years, or two-thirds of its life, the Italian Government spent more than it took in. Naturally, as time went on, in the face of a rising governmental debt, borrowing became more and more difficult, and the Italian Government was finally forced to levy greatly increased taxes to get funds with which to meet its bills. Then, and then only, did the Italian people awaken to the fact that in proportion to their income they were the most heavily taxed people on the face of the earth. When the new taxes were levied great opposition developed against them—even though much of the new levy was necessary to make ends meet. A business depression began and deepened, followed by economic chaos. Class-conscious groups fought in the streets. Thus at last the way was paved for the advent of Benito Mussolini, for Fascism and dictatorship. Only then did the full effects of years of deficit spending by the Italian Government show itself in eventual tyranny and bloody war.

"The same thing is pretty much true of the history of Germany, for Germany has long pursued a policy of deficit financing—even before World War I. That policy finally brought Adolf Hitler to power years afterward, and has resulted in such a bloody and stupendous cost to the German nation as to dwarf into insignificance any small benefits that deficit financing may have had for Germany in its initial stages.

"As in Italy, so it was in Germany. It took many years after deficit financing was started before the true effects and harmful results of that policy became clearly apparent to all.

"So it is with the United States. We must pay as we go, for whatever type of Government we demand, if we want to escape the effects of a long-continued policy of living on the future, of spending our hard-won substance on some temporary benefit only to reap ultimate disaster. This constitutional amendment is an effective, sure and certain way to deal with pressure groups who want special privilege at the expense of the whole people. After the adoption of such an amendment, when they come asking the Government to borrow billions for schemes and projects which they favor, the Congress can point to that amendment and tell these groups it does not have the money, and ask where they propose to levy the new taxation to get funds necessary to carry out their ideas. Thus all taxpayers will be put on notice at the time the appropriation is being considered, and not five, 10 or 20 years thereafter, when it would be too late to repair the damage done.

Spending for Local Governments

"Then, too, during the last two decades the people of America have formed the habit of coming to Washington on purely local matters—matters which heretofore were settled by their City Councils, County Commissioners and State Governments. To a large degree Washington has been made the Mayor and City Council for many of the towns and municipalities of the nation. Help to these towns has usually been in the form of money—always borrowed money—which now has resulted in a degree of high taxation to which our people have never been accustomed, and which will shackle economic development. Much of this could have been avoided, war or no war.

"One of our great post-war problems will be to rebuild in the American citizen that great American trait of self-reliance. We must recreate in our people the quality of responsibility, of a resolution to settle their community affairs at home. We must break the vicious habit of everyone rushing to Washington principally for money—which the national Government has to borrow—for what are purely local and not national matters at all.

"Let us recall that this country of ours is 33 times the size of Great Britain, 16 times the size of France, and 14 times the size of Germany. We cannot hope with such a great domain—really a continent—to govern wisely, economically, or even soundly, the purely local affairs of our people from one single central place in Washington. This is ruinous, both to the character and enterprise of our people, and will in the end destroy the whole structure of our dual system of government—national and local.

"In the post-war period, after reasonable adjustment has come, local affairs must hereafter be handled locally and national affairs nationally, if we are to protect our birthright and prolong the great progress and freedom of our people.

"In meeting and finding solutions for all of our great problems at home and abroad there is no need of our being faint-hearted. We are blessed by having in great abundance a very large share of the world's natural resources. Our people have the heritage of great enterprise, magnificent development and unparalleled accomplishment. We have only to retain our democratic institutions in their proper spheres, to give free play to the thoughts, talents and actions of our citizens. In such free play is the richest promise that we may enhance our already priceless heritage and carry our country on to a greater civilization and a higher standard of living for all our people."

Morse in N. Y. Fund Post

Charles L. Morse, Jr., partner of Hemphill, Noyes & Co., has accepted the Chairmanship of the Stock Exchange Division for the Greater New York Fund's eighth annual campaign, it was announced by Harry M. Addinsell, Chairman of the executive committee of the First Boston Corp., who is in charge of the Finance Section of the Fund's appeal.

We have prepared a memorandum on

the hallicrafters co.

Common Stock

Copies of Memorandum and Prospectus
available upon request

DOYLE O'CONNOR & CO.
INCORPORATED
135 SOUTH LA SALLE ST., CHICAGO 3, ILL.
TELEPHONE: DEARBORN 9600 TELETYPE: CG 1200

DOMINGUEZ OIL FIELDS COMPANY
CAPITAL STOCK
TRADED ON THE SAN FRANCISCO STOCK EXCHANGE
PROMPT QUOTATIONS AND EXECUTIONS
OVER OUR DIRECT PRIVATE WIRE

KAISER & CO.
MEMBERS
NEW YORK STOCK EXCHANGE
NEW YORK CURB EXCHANGE
SAN FRANCISCO STOCK EXCHANGE

20 PINE STREET
NEW YORK 5

1500 RUSS BUILDING
SAN FRANCISCO 4

The Securities Salesman's Corner

By JOHN DUTTON

An Example of Productive, Aggressive Newspaper Advertising.

For over a year H. L. Robbins & Co., Inc., retail securities dealers of Worcester, Mass., have been advertising weekly in their local newspaper. Each week another feature of the firm's services and offerings is placed before the investing public in their community. Consistent, progressive merchandising backs up this wide-awake dealer's advertising. The advertisement reproduced herein is a sample of the type of copy that is bringing this firm direct leads.

In addition to the attention-arresting headline, notice the emphasis which is placed upon post-war, peacetime securities. It has been reported to us by other securities dealers that the public is more interested in this type of situation at the present time than any other class of securities.

RELIABLE ESTIMATES OF SHORTAGES

up to the end of 1943—by the end of the war these deficiencies will be even greater.

	No. Units
Autos and Trucks	7,000,000
Radios-Phonographs	20,000,000
Stoves	7,670,000
Bedsprings	7,270,000
Furnaces	609,000
Sewing Machines	748,000
Oil Burners	492,000
Bicycles	3,155,000
Washing Machines	3,956,000
Refrigerators	4,700,000
Vacuum Cleaners	3,350,000

When Johnny Comes Marching Home . . .

The American people will have saved over 100 BILLION DOLLARS and the country will be famished for goods.

Notice the deficiencies that will exist in important consumer goods. This situation presents an opportunity for investors to purchase certain PEACE STOCKS now in bargain range that will participate in the PEACE TIME BOOM THAT LIES DIRECTLY AHEAD.

SEND FOR OUR SUGGESTIONS OF ATTRACTIVE PEACETIME STOCKS TODAY

"We have been serving investors in this community since 1933—our first consideration at all times is the welfare of our customers."

390 MAIN ST.
Tel. 6-1501

H. L. ROBBINS & CO., Inc.
Investment Securities
WORCESTER, MASS.

(And Buy Your War Bonds Too)

Not all of Robbins' advertising is directed toward producing direct leads for their sales organization. Other ads have stressed the firm's willingness to offer statistical reports ON ALL LISTED SECURITIES, a complete follow-up service for clients AFTER THEY HAVE BOUGHT A SECURITY FROM THEM, interesting investment subjects such as "inflation protection," specialization in local securities, cooperation with the various war-bond drives and the Red Cross funds, securities for income, what marketability means in an investment and how stocks and bonds can supply this desirable advantage better than most other forms of investment, etc.

This firm reports that the true value in consistent advertising is also its beneficial value in creating goodwill among **established customers** and **new potential clients.** After all, it is certainly true that most people view with confidence a firm's good name that is constantly placed before them regularly, and in a manner that is conducive to comment that is favorable toward them in a community.

No subject is of greater interest today to the average person than his financial future. Investment dealers have an opportunity to tell their story today to an audience that wants to know more about investments. Many years have passed since the daily papers carried informative, progressive advertising about securities. In fact, there has been very little of this type of advertising at any time in the past. For this reason dealers can avail themselves of their daily papers today and they will find their potential rewards (considering the small expense and limited clerical work involved in this type of advertising) will be very worthwhile.

The Robbins' advertisements have a story to tell in plain language that people understand; they are non-technical, they are interesting, not only because they are timely, but they talk plain talk and still have a certain dignity in keeping with the subject they discuss.

There are more potential new investors in the market for securities today than ever before. Thy want to know where to go to buy them. Every community in the nation offers a market for development through consistent, aggressive advertising backed up by performance. It seems to us that now is the time to get started on advertising campaigns that will do this kind of a job. In Worcester, Mass., H. L. Robbins & Co. are proving it to be the road that leads to a successful business.

Signode Steel Preferred Common Stock Offered

A group headed by Kebbon, McCormick & Co. of Chicago on April 24 offered publicly 54,000 shares of 5% cumulative preferred stock and 40,000 shares of common stock of Signode Steel Strapping Co. The preferred was offered at par, $50 per share, and the common stock at $14.75 per share. Others included in the offering group are Central Republic Co.; Harris, Hall & Co.; Lee Higginson Corp.; F. S. Moseley & Co.; Farwell, Chapman & Co.; Laurence M. Marks & Co.; The Milwaukee Co., and Paine, Webber, Jackson & Curtis. A portion of the new preferred stock is being reserved for the exchange of present preference stock.

Moore & Schley Admitting

Moore & Schley, 100 Broadway, New York City, members of the New York Stock Exchange, will admit Ellen R. Schley to limited partnership on May 1.

NORTH CAROLINA
CHATTANOOGA
GREENVILLE
HUNTSVILLE
DECATUR
GADSDEN
ROME
CEDARTOWN
ATLANTA
ATHENS
ANNISTON
TALLADEGA
BIRMINGHAM
LAGRANGE
SOUTH CAROLINA
HARTSVILLE
ALABAMA
TROY
GEORGIA
ALBANY
MOULTRIE
FLORIDA

Courts & Co.
INVESTMENT BANKERS
Members New York Stock Exchange and
Other Leading Exchanges
UNDERWRITERS AND DISTRIBUTORS OF
INVESTMENT SECURITIES
BROKERS OF BONDS, STOCKS, COMMODITIES
Private Wires • Home Office Atlanta • Phone LD-159

OUR REPORTER'S REPORT

The high-grade investment market passed another milestone in the current era of low-cost corporate financing this week when an issue of 50-year 3% bonds of the Virginian Railway was offered to the public priced to return a yield of about 2.75%.

This performance brought the gilt-edge rail-loan yield basis down to approximate levels prevailing in top-flight utility obligations.

The Virginian received two sealed bids for its offering of $60,000,000 first lien and refunders. The high tender was 105.669, fixing a 3% coupon. Recently, banking groups have been quite close in their pricing of new issues.

But on this occasion there was a spread of ¾ of a point between the top bid and that of the second group which was 104.919 for the same coupon, or a difference of about 0.3 points in yield basis.

The winning group proceeded with reoffering subject to ICC approval of the financing. Ploughing new ground, as it were, the syndicate found demand a bit sluggish at the start. Institutional buyers are inclined to shy away from such low yields, even on quality paper.

However, the dearth of new money issues in any quantity makes their problem almost insurmountable and they usually come around after a day or so to take a more interested look at the merchandise up for sale.

Before Next War Loan

Scanning his list of new financing projects, an official of one of the largest underwriting banking houses comes up with a recapitulation showing that, provided there is no change in the situation, the investment industry faces the task of taking care of no less than 18 more operations before the advent of the Seventh War Loan Drive the middle of next month.

Some of these are relatively small and likely to be quite local in character and distribution. But a number of them are sizable undertakings which will be handled by nation-wide distributor groups.

The immediate concern was the issue of $58,000,000 new New York, Chicago & St. Louis RR. ("Nickel Plate") bonds on which bids were due to be opened today with indications that several syndicates would be in the running. Public offering also was due of 100,000 shares of Ralston Purina Co. series A preferred stock.

Busy Week Ahead

Next week bids fair to keep investment bankers and their dealer associates decidedly busy in the distribution of new securities.

On Monday, Virginia Electric & Power Co. will open bids for $59,000,000 of first mortgage and refunding bonds, series E, to mature in 1975. Originally this had been a $33,000,000 undertaking, but the company, by amendment, lifted the total to the current figure.

The same day bankers are slated to offer 50,000 shares of 4¾% convertible preferred stock and 50,000 class A common of Armstrong Rubber Co.

On Tuesday bankers will market, providing there is no change in schedule, $35,000,000 of 2¾% debentures of B. F. Goodrich Co., and $25,000,000 of first mortgage 3s of Tennessee Gas & Transmission Corp. Another group will be in the market with 100,000 shares of U. S. Plywood Co. common.

Two New Entries

The race to get under the wire before the bankers shut up shop to turn their attention to the next War Loan Drive seems to grow with time.

Two new large issues came into the list of possible starters with the turn of the week. The first involves the projected issue by Texas Power & Light Co. of $31,500,000 of new 30-year mortgage bonds for which the necessary registration has been filed.

Proceeds will be applied, with general funds, to redeem $40,288,275 in outstanding obligations.

Pennsylvania Railroad now is planning to refinance $57,000,000 of outstanding series C 3¾s, and has applied to the Interstate Commerce Commission for authority to issue $57,130,000 of new general mortgage series G bonds.

Of that amount $52,981,000 would be sold in competitive bidding. This issue requires only a call by the road for bids to start it on the way since registration is not involved.

Harrison Johnston Joins Merrill Lynch in Mpls.

(Special to THE FINANCIAL CHRONICLE)

MINNEAPOLIS, MINN. — Harrison R. Johnston has become associated with Merrill Lynch, Pierce, Fenner & Beane, Rand Tower. Mr. Johnston, who has been serving with the Far East Air Corps as a Lieutenant Colonel, was formerly connected with Jamieson & Co. and Lamson Bros.

ADVERTISEMENT

NOTE—*From time to time, in this space, there will appear an article which we hope will be of interest to our fellow Americans. This is number eighty-four of a series.*
SCHENLEY DISTILLERS CORP., NEW YORK

Correction

We have on our desk today, here at Schenley, several articles which have recently appeared in Middle West newspapers. In two of these articles, which appeared in two rather widely separated cities, the writer tells his readers, in substance, that they must now re-educate their tastes; that they are now drinking "wartime whiskey"; that it is almost impossible to find their favorite pre-war brands. In the articles mentioned, the reader is told that he must now drink blended whiskies. What are the facts?

Well, the facts prove that by actual preference, blended whiskies increased in popularity uninterruptedly for eight years *prior* to the war. Consumers increasingly showed their preference for this lighter form of alcoholic beverage. In fact, the figures very definitely prove that the leading selling brands in nearly every one of our most populous states, before the war, were blends.

Well, that's very interesting and yet is merely history repeating itself because even before Prohibition about 70% of the whiskey consumed in the United States was blended whiskey.

So it seems that it is really not necessary for the American consumer to change his drinking habits and the majority can go right on partaking of the type of whiskey they have long preferred. And they can be assured, too, that the blended whiskies they are getting today, are *not* "wartime whiskies." They are exactly the same fine aged and mellowed American straight whiskies which were made in peacetime—blended with American grain neutral spirits. These are light whiskies and are definitely in tune with these modern times.

MARK MERIT
of SCHENLEY DISTILLERS CORP.

FREE—*Send a postcard or letter to Schenley Distillers Corp., 350 Fifth Ave., N. Y. 1, N. Y. and you will receive a booklet containing reprints of earlier articles on various subjects in this series.*

Field & Co. Formed In Portland, Oreg.

(Special to THE FINANCIAL CHRONICLE)

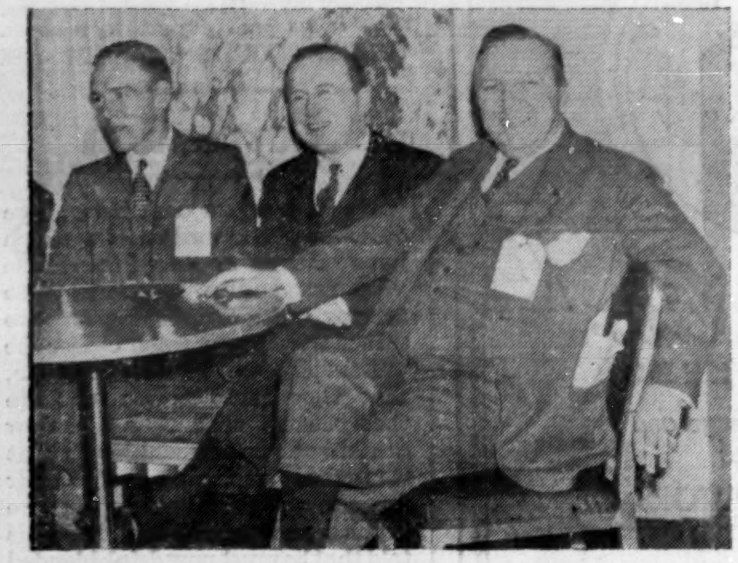
PORTLAND, ORE. — Field & Co., Inc. has been formed to engage in a general securities business. Officers are W. Glenn Field, President; Fay W. Field, Secretary-Treasurer; and W. L. Thompson, Vice-President. Mr. Field was formerly with Camp & Co., Ferris & Hardgrove, and Drumheller, Ehrlichman & White. In the past he was an officer of Sloan, Wilcox & Field.

The new firm may be reached at present at 4455 N. E. Royal Court.

E. A. Clark & Co. Formed in New York

E. A. Clark & Co. has been formed with offices at 39 Broadway, New York City, to engage in the securities business. Partners are Edgar A. Clark, Frederick S. Farah and Robert P. Bennett. Mr. Clark was formerly a partner in Clark & Loder with which Mr. Farrah was also associated.

Security Traders Ass'n of New York Annual Dinner



W. A. Flagg, *Harris, Upham & Co.*—Stephen G. McKeon, *Chas. W. Scranton & Co.*, New Haven—Charles H. Tuttle, *Harris, Upham & Co.*

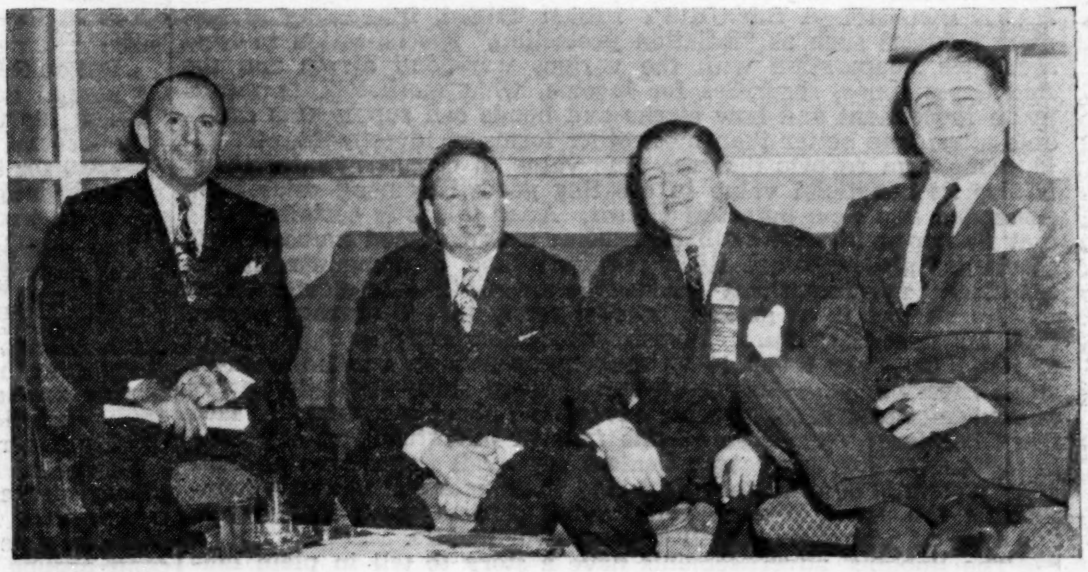
Edward E. Parsons, *Wm. J. Mericka & Co., Inc.*, Cleveland—Wm. Perry Brown, *Newman, Brown & Co., Inc.*, New Orleans—Clarence E. Unterberg, *C. E. Unterberg & Co.*

Louis A. Gibbs, *Laird, Bissell & Meeds*—Walter F. Saunders, *Dominion Securities Corporation*—James P. English, *Cooley & Co.*, Hartford.

Henry G. Bruns, *H. G. Bruns & Co.*—Bertram Seligman, *Ward & Co.*—C. K. Channell, *First Boston Corp.*—John Butler, *Huff, Geyer & Hecht.*

J. Henry Davis, *Ira Haupt & Co.*—Jules Brown, *Hirsch & Co.*—Harry Peiser, *Ira Haupt & Co.*—Milton F. Lewis, *Ira Haupt & Co.*

Arthur Hamill, *Lee, Higginson & Co.*—Frank Pavis, *Chas. E. Quincey & Co.*—Stanley Roggenburg, *Roggenburg & Co.*—Joseph McManus, *Joseph McManus & Co.*



Jack Gertler, *Gertler, Stearns & Company*—Frank Ginberg, *Strauss Bros.*—Abraham Strauss, *Strauss Bros.*—Robert Strauss, *Strauss Bros.*

Thomas C. Brown, *Hoit, Rose & Troster*—John F. Reilly, *J. F. Reilly & Co.*—Maurice Myers, *Hirsch & Co.*—Alfred W. Tryder, *W. H. Newbold's Son & Co.*, Phila.

Edwin L. Beck, *Financial Chronicle*—Charles E. Stoltz, *C. E. Stoltz & Co.*—Hugh Kilmer, *Hardy & Co.*—Samuel E. Magid, ***Hill, Thompson & Co., Inc.***

Attended by Over 1200 Members and Guests

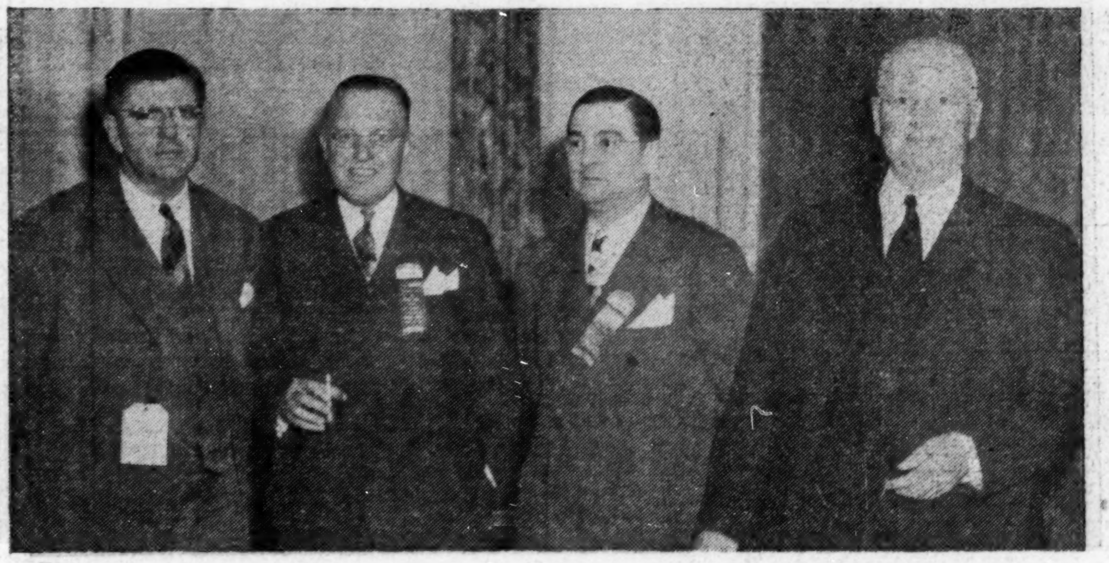
John F. McLaughlin, *McLaughlin, Baird & Reuss*—Harold B. Smith, *Collin, Norton & Co.*

Charles Zingraf, *Laurence Marks & Co.*—Carl Stolle, *G. A. Saxton & Co., Inc.*

Irving Allen Greene, *Greene & Company* — C. D. Runyan, *President, Trust Co. of North America.*

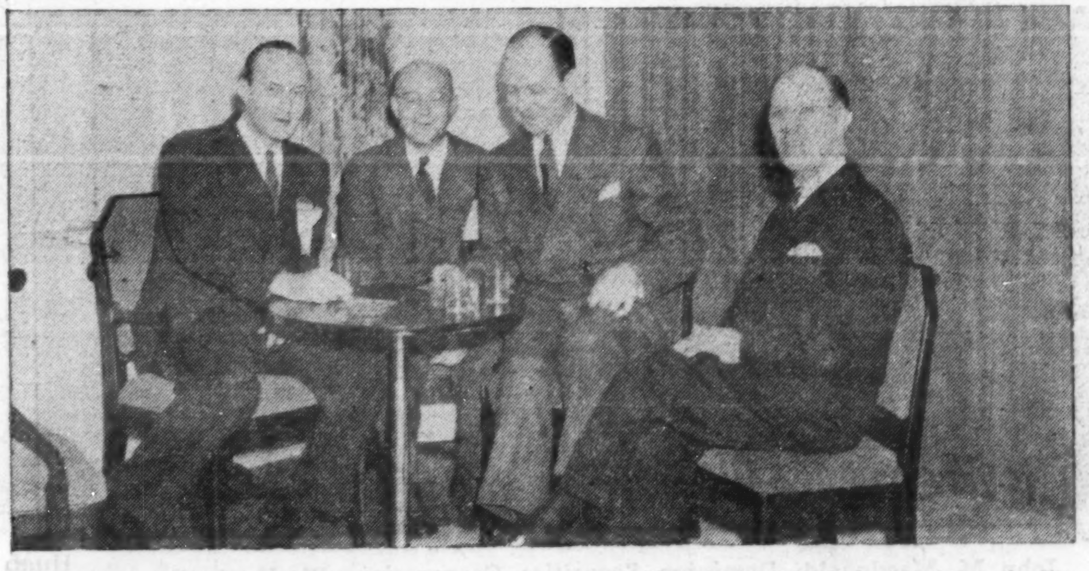
Jerry Aal, *Abraham & Co.*—Henry Gersten. *Hettleman & Co.*—John M. Mayer, *Merrill Lynch, Pierce. Fenner & Beane*—Michael J. Heaney, *Joseph McManus & Co.* Charles W. Goodeve, *F. B. Ashplant & Co.*

Harold J. Williams, *Boenning & Co.*, Phila.—Edward J. Opper, *E. H. Rollins & Sons*, Boston—Ed. Coughlin, *W. H. Bell & Co.*, Phila.—Harry J. Arnold, *Paine, Webber, Jackson & Curtis*—Howard Von Dehsen, *The Keystone Corporation of Boston.*



Arthur Retallick, *Van Alstyne, Noel & Co.*—John Kassebaum—*Van Alstyne, Noel & Co.*—Benjamin H. Van Keegan, *Frank C. Masterson & Co.*—Frank Scheffey—*NASD.*

Bruce Briggs, *Mackubin, Legg & Co.*—Harold I. Murphy, *Bonner & Gregory*—R. Sims Reeves, *Greene & Co.*—Jules Bean, *Luckhurst & Co.*

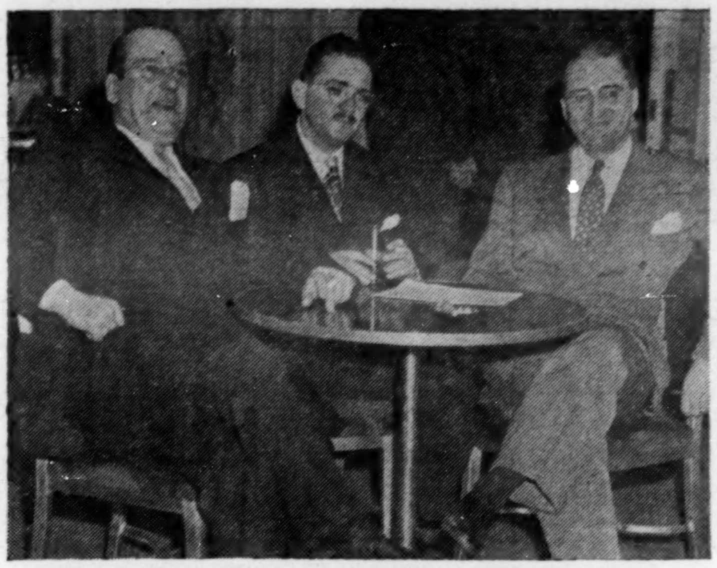


Richard F. Abbe, *Van Tuyl & Abbe*—T. G. Horsfield, *Wm. J. Mericka & Co.*, N. Y. C.—Foster Webster, *Hardy & Co.*—Edgar Sheppard, *Frederick S. Robinson & Co., Inc.*

Jack Frost, *Dealers Digest*—Joseph G. Petersen, *Eckhardt-Petersen & Co., Inc.*, St. Louis—Wallace Fulton, *NASD*—Russell M. Dotts, *Bioren & Co.*, Phila.—John French, *A. C. Allyn & Co.*, N. Y. C.

Held April 20 At the Waldorf Astoria

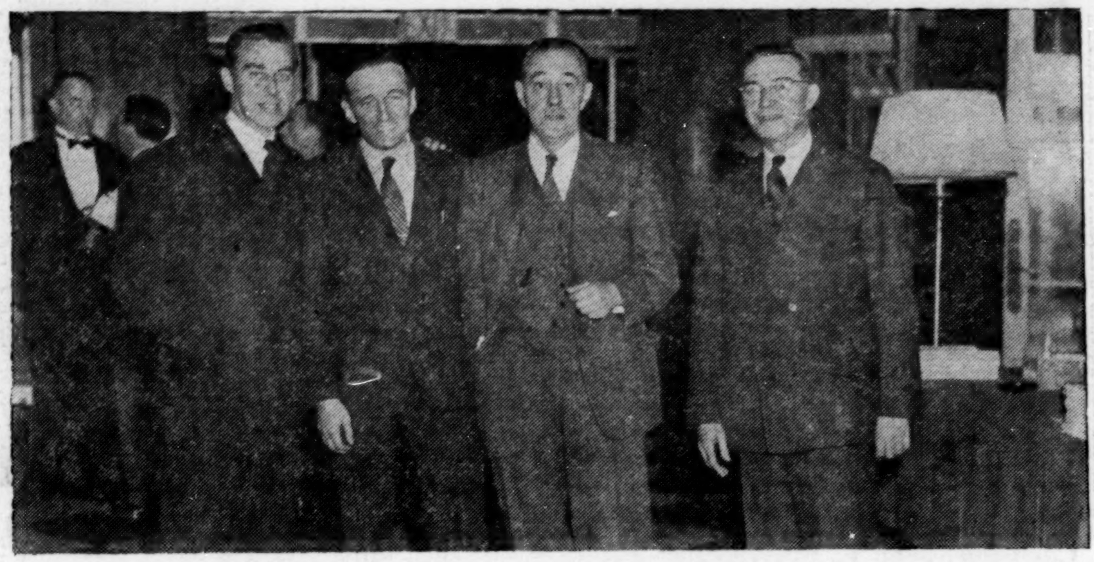
Ray Doheny, *General Stock & Bond Corp.*, Boston—Edward J. Opper, *E. H. Rollins & Sons, Inc.*, Boston—John Stein, *Strauss Bros.*



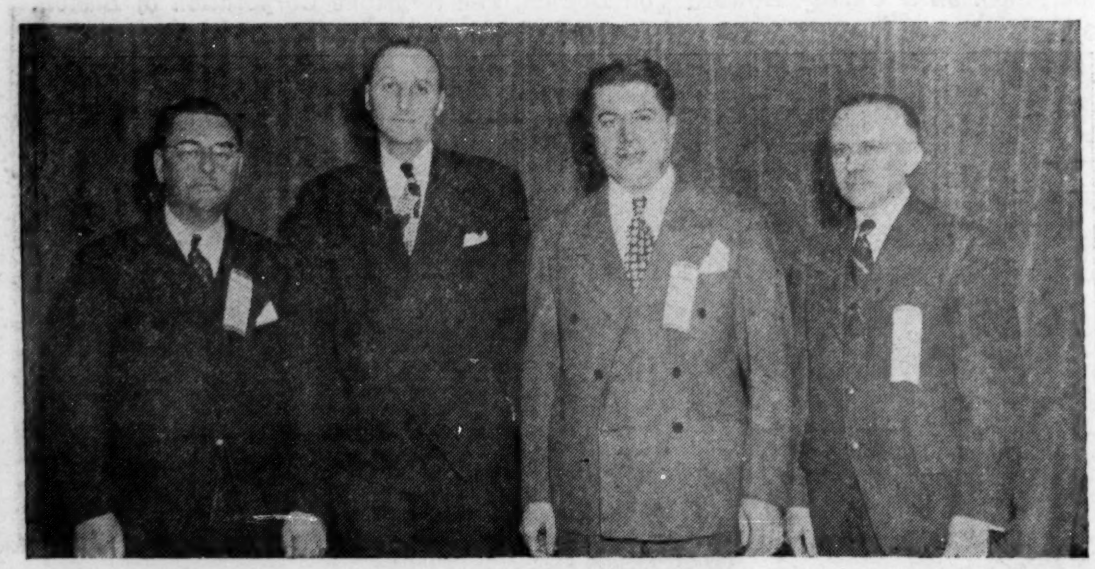
Jim McGivney, *Hornblower & Weeks* — Anton E. Homsey, *du Pont, Homsey & Co.*, Boston—Ransom Edwards, *Riter & Co.*

Joseph G. Petersen, *Eckhardt-Petersen & Co., Inc.*, St. Louis—Walter J. Connolly, *Walter J. Connolly & Co., Inc.*, Boston, Mass.

Ben W. Boas, Jack Kassel, Murray L. Barysh, Samuel Spring, *Ernst & Co.*



Harry D. Miller, *Nugent & Igoe*—Frederick D. Gearhart, Jr., *Kobbe, Gearhart & Co., Inc.*—Al. Graves, *SEC*—Wm. Cogan, *SEC*.



Chester E. de Willers, *C. E. de Willers & Company*—Herbert Allen, *Allen & Company*—Geo. Leone, *Frank C. Masterson & Co.*—Willis M. Summers, *Troster, Currie & Summers.*

John Henry Stevenson, *Ward & Co.*—Homer Wirth, *Mabon & Co.*—Cyril M. Murphy, *Mackubin, Legg & Co.*—Joseph Markman, *E. W. Smith & Co.*, Philadelphia.

J. William Kumm, *Dunne & Co.*—B. W. Pizzini, *B. W. Pizzini & Co., Inc.*—Edward H. Welch, *Sincere & Company*, Chicago—Maurice Hart, *New York Hanseatic Corp.*

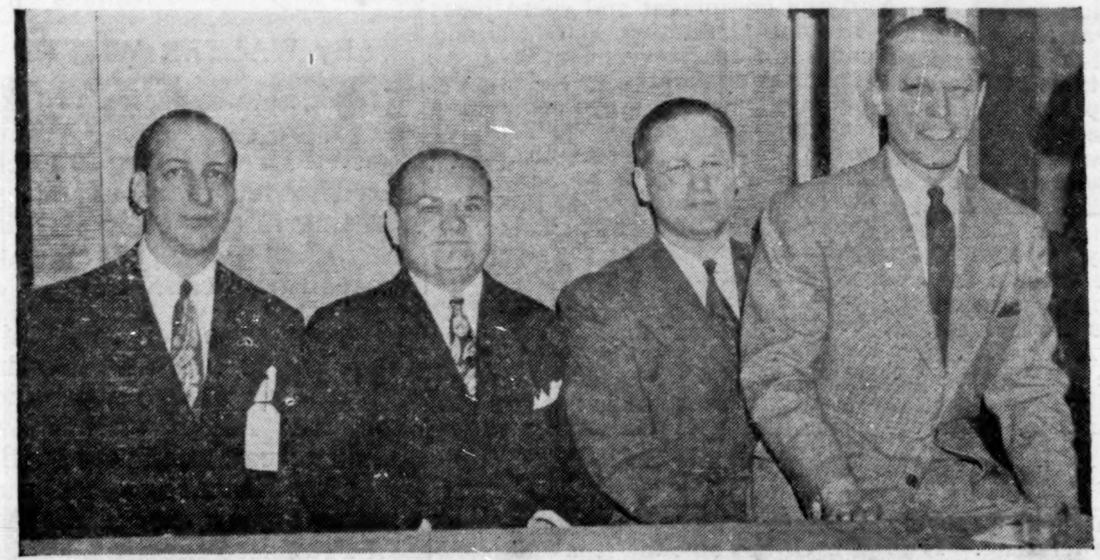
John M. Macdonald, *Dominion Securities Corporation*—W. H. A. Basserman, *Bank of Montreal*—William Eiger, *Hart, Smith & Co.*—Joe Titolo, *Harris, Upham & Co.*

Pronounced Huge Success by All Attending

Emil Kumin, *Estabrook & Co.*—Hal Murphy, *Financial Chronicle*—David Goldstein, *Newburger, Loeb & Co.*

Herbert Scherk, *Ira Haupt & Co.*—Henry Miller-Jones, *Ira Haupt & Co.*—M. L. Moore, *Finch, Wilson & Co.*

Jim Gaffney, *L. F. Rothschild & Co.*—Don W. Miller, *McDonald-Moore & Co.*, Detroit, Mich.—Paul Yarrow, *Clement, Curtis & Co.*, Chicago, Ill.



Harry L. Zeeman, Jr., *Carl Marks & Co., Inc.*—Alfred I. Abelow, *Mitchell & Company*—John K. Ruckdeschel, *Stroud & Co., Inc.*, Phila.—Edwin Jacobs, *Blair F. Claybaugh & Co.*

Ernest Gugelman, *Swiss Bank Corp.*—Walter Filkins, *Troster, Currie & Summers*—Warren V. Reardon, *White, Weld & Co.*—Bertrand L. Burbank, *White, Weld & Co.*—Robert Leimhard, *Troster, Currie & Summers.*

B. S. Lichtenstein, *B. S. Lichtenstein & Co.*—Murray Lerner, *Adler, Coleman & Co.*—Lester S. Greenwald—*Wellington & Co.*—Lewis Orchin, *Adolph Lewisohn & Sons.*

E. F. Waterbury, *E. F. Waterbury & Co.*—John Wasserman, *Asiel & Co.*—Wm. Devlin, *Reynolds & Co.*—Henry Schmidt, *Pulis, Dowling & Co.*

Elmer G. Parsly, *J. G. White & Co.*—Sid Mendelson, *Shaskan & Co.*—Duke Hunter, *Hunter & Co.*

Harry L. Arnold, *Paine, Webber, Jackson & Curtis*—James J. Caffrey, *SEC*—Peter Byrne, *SEC*—John J. O'Kane, Jr., *John J. O'Kane, Jr. & Co.*

REAL ESTATE
SECURITIES

Primary Markets in:

Hotel St. George, 4's

165 Broadway, 4½'s

870 - 7th Ave. 4½'s
(Park Central Hotel)

N. Y. Athletic Club 2-5's

Beacon Hotel, 4's

* * *

SHASKAN & CO.
Members New York Stock Exchange
Members New York Curb Exchange
40 EXCHANGE PL., N.Y. DIgby 4-4950
Bell Teletype NY 1-953

We buy and sell

TITLE CO. Certificates and Mortgages

PRUDENCE AND
REAL ESTATE BONDS

—

SIEGEL & CO.
39 Broadway, N.Y. 6 DIgby 4-2370
Teletype NY 1-1942

FIRST MORTGAGES
TITLE CO.
CERTIFICATES
Bought—Sold—Quoted

EST. 1939
**EMPIRE REALTY
TRADING CORP.**
Associate Member
Real Estate Boards, B'klyn & N. Y.
111 Broadway, N. Y. 6 REctor 2-9838

Virginian Railway Co. Bond Issue Marketed

An investment banking group led by Mellon Securities Corp. and Halsey, Stuart & Co., Inc., won the award April 24 of Virginia Ry. Co.'s offering of $60,000,000 new first lien and refunding mortgage 3% bonds, due 1995, on a bid of 105.669. The winning group reoffered the bonds April 25 at 106.71, subject to the approval of the Interstate Commerce Commission. At this price the yield is approximately 2.75%.

Virginian Ry. plans to use the proceeds from the sale, together with funds from a bank loan of not more than $3,000,000, and additional treasury funds, for retirement at 106 of $60,044,000 outstanding first lien and refunding mortgage series A 3¾% bonds, due March 1, 1966.

Associated in the offering with Mellon Securities Corp. and Halsey, Stuart & Co., Inc., are: Bear, Stearns & Co.; Hemphill, Noyes & Co.; Ladenburg, Thalmann & Co.; W. C. Langley & Co.; Otis & Co., Inc.; Phelps, Fenn & Co.; L. F. Rothschild & Co.; Salomon Bros. & Hutzler; Hallgarten & Co.; R. W. Pressprich & Co.; Central Republic Co., Inc.; Paine, Webber, Jackson & Curtis; Shields & Co.; Burr & Co.; Gregory & Son, Inc.; Laurence M. Marks & Co.; Putnam & Co.; Stroud & Co., Inc., and others.

SPECIALISTS
in
Real Estate Securities
Since 1929

Seligman, Lubetkin & Co.
Incorporated
Members New York Security Dealers Association
41 Broad Street, New York 4 HAnover 2-2100

Real Estate Securities

New Legislation in the State of New York Affecting Real Estate Securities

A new law affecting real estate securities has just been made effective in New York State. The law permits the owner of a property on which there is a bond issue, or 25% of the bondholders, to present a plan of reorganization to the Supreme Court whether or not there is a default and without foreclosure of the mortgage. The plan of reorganization may provide for: (1) the extension of the maturity of the mortgage, deed of trust or indenture and the debts secured thereby; (2) the modification of the provisions for interest, amortization or sinking funds; and (3) such other changes, modifications or amendments as may be fair and feasible and for the best interests of the security holders.

No plan shall be approved unless the Court, after hearings, shall determine that it is fair, feasible and for the best interests of the security holders.

The affirmative consent of two-thirds of the principal amount of the outstanding securities shall constitute a presumption that the plan is fair, feasible and for the best interests of the security holders.

However, if the reorganization shall become effective, it shall be without prejudice to the right of any particular holder of such securities who has duly dissented therefrom, to have the Court determine the cash value of such securities as he may have owned on or before the date of the presentation of the plan of reorganization and providing for the payment or security his ratable share of such amount as a condition for declaring the plan effective. Upon a Court order declaring the plan effective, it will become binding on all the security holders.

It seems to the writer than this new law has both advantages and disadvantages. On the pro-side it will permit the bondholders to receive the advantage of Court supervision of a reorganization instead of these so-called voluntary reorganizations that have heretofore been promulgated. As an example, the 11 West 42nd Street bonds where the non-assenting bondholders can, by legal means, collect their 6½% interest, while the assenting bondholders only receive 4¾% interest. It will eliminate the expensive bankruptcy proceedings and appointments of receivers. It will permit the American democratic procedure of having the majority of bondholders elect the procedure of handling their affairs.

On the con-side, the necessity of receiving a two-thirds affirmative consent will probably become very burdensome. It is doubtful whether that many votes could be secured.

In any event, it would appear necessary that in order for the bondholders to receive the maximum benefit from this new law, that proper protective committees be given their support for concentrated action.

Fortunately, on the Supreme Court bench, we have judges who will no doubt follow the spirit and language of this new law so that any reorganization will be for the best interests of the bondholders.

New Capital Requirements of Airlines Placed At $500,000,000 in Next Five Years

Survey by Banking and Life Insurance Group Presents Methods of Financing Airline Operations

New financing of $500,000,000 by the country's commercial airlines in the next five years is predicted in an extensive study, entitled "Airline Finance," conducted by a group of banks and life insurance companies. The present report is the first in a continuing study of airline financing methods. The purpose of the study is to make available to the aviation industry and to financial institutions, data concerning the future financing needs of the airlines, and methods of meeting their future capital requirements in a way that will be efficient and mutually beneficial to lender and borrower.

The survey was made jointly by Bankers Trust Co., The Mutual Life Insurance Co. of New York, The Chase National Bank, and The New York Trust Co., and was conducted under the supervision of Gordon D. Brown, independent consultant on aviation problems. It contains estimates of the expected growth and the probable capital needs of the airlines, and describes various financing arrangements that are being developed to meet their needs. A report presenting the main elements of the study to date is being made available, by the sponsors, to airlines and airplane manufacturers, and to banks, insurance companies, investment underwriters and others interested.

The institutions sponsoring the study point out that the new capital problem of the country's airlines is a large one, and that effective methods must be developed to meet it. They state also that while the situation offers attractive lending opportunities, lenders must have a thorough knowledge of this relatively new field if they are to approach the problem confidently and provide the efficient methods of financing to which the airlines are entitled. The study covers medium-term lending, which is of primary interest to banks, and longer-term lending, of interest to life insurance companies.

Methods of analyzing airline operations from the lender's standpoint are presented and various feasible ways of financing airlines through the use of equipment trusts, conditional sales and chattel mortgages are discussed. Many of the special problems involved are analyzed and detailed forms have been worked out for certain of the financing methods.

In outlining the dimensions of the financing problems involved, the material developed indicates that by 1950, it is probable that the domestic airlines will fly annually some 8 billion passenger miles, as compared with 1.6 billions in 1943, and that the gross operating revenues of the airlines in 1950 will reach $500,000,000 as compared with $152,000,000 last year.

Pointing out that, on Jan. 31, 1945, the flying equipment of the country's domestic airlines consisted of only 371 planes, the study stresses the great need that will exist for new flying equipment in the post-war period. On this point, the survey indicates that "in order to carry the traffic projected for 1950, the domestic airlines will have to have equipment with approximately five times the seating capacity of their existing fleet. . . . This will require expenditures for flying equipment and spare parts of approximately $300,000,000 and an additional investment in non-flying equipment, such as hangars, maintenance equipment, communications and office facilities, of over one-third that figure. Also the airlines will need additional working capital to cover their expanded requirements. Therefore the requirements of the domestic airlines during the next five years may be in the magnitude of $500,000,000."

The study also indicates that, although the pattern of international air transport is not entirely clear at the moment, it is probably safe to assume that American airlines will spend another $250,000,000 on their foreign operations, or a total of $750,000,000 in all. Of this amount, it is estimated that about $500,000,000 will have to be raised by borrowing or through the sale of equity securities.

Food Machinery Com. Subscribe for Stock

The common stockholders of Food Machinery Corp. have agreed to purchase 104,941 shares ($10 par) common stock under the offer which the company made to holders to subscribe to new shares at $52.50 a share in the ratio of one additional share for each four shares held. Subscription warrants originally offered entitled common stockholders to purchase 107,010 shares. The balance of the 2,069 shares had been placed by an underwriting group headed by Kidder, Peabody & Co. and Mitchum, Tully & Co.

Associated with Kidder, Peabody & Co. and Mitchum, Tully & Co. are Blyth & Co., Inc.; Eastman, Dillon & Co.; The First Boston Corp.; Goldman, Sachs & Co.; Harriman Ripley & Co., Inc.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Beane; Union Securities Corp.; White, Weld & Co.; Clark, Dodge & Co.; Paine, Webber, Jackson & Curtis; Folger, Nolan & Co., and Shoellkopf, Hutton & Pomeroy, Inc.

The corporation will apply part of the proceeds to redemption of $3,000,000 outstanding 15-year 4% sinking fund debentures due Dec. 1, 1956, at 101 and accrued interest. The balance will be added to working capital.

Bartow and Leeds To Organize Own Firm

Francis D. Bartow, Jr., formerly Secretary of the Discount Corporation of New York, and Donald D. Leeds, Assistant Vice-President of the same company, will shortly form their own firm to deal in United States Treasury securities.

**Pacific Coast
Securities**

Orders Executed on
Pacific Coast Exchanges

Schwabacher & Co.
Members
New York Stock Exchange
New York Curb Exchange (Associate)
Chicago Board of Trade
14 Wall Street New York 5, N. Y.
COrtlandt 7-4150 Teletype NY 1-928
Private Wires to Principal Offices
San Francisco — Santa Barbara
Monterey — Oakland — Sacramento
Fresno

Tomorrow's Markets Walter Whyte Says—

By WALTER WHYTE

Market now expected to take cues from the 'Frisco Conference. More advance anticipated but technical influences, pointing to temporary halt in rally, beginning to appear. Proceed with caution.

By the time you read this the chances are that Berlin will be out of the war and that the Allies will have joined forces. But what will be more important to the market is the tee-off of the San Francisco meeting.

* * *

The tides of war as reflected from the battlefields all over the world have seldom had any influence on the price structure. The reason isn't too hard to figure. Wars are always a means to an end. They are never an end in themselves. It is around conference tables that the ends are figured out. Frequently these ends lead to other difficulties which may be reflected in other kinds of wars. These need not be bloody affairs. They are concerned with commercial advantages. Their influence, however, are far more reaching even though they seldom make headlines or arouse flag waving.

* * *

Whenever international get-togethers are held the rumors fly fast and furious. With the latest one to be held right here in the United States, and with news facilities of the best, you can bet that the stories you'll hear and read will be that more plentiful. The market being the sensitive barometer that it is, will almost certainly take many of its cues from the decisions made in San Francisco. Obviously I don't know what the decisions will be. But whatever they'll be, and what they'll mean, will be reflected in the market.

* * *

Meanwhile stocks are behaving nicely. Practically everybody is optimistic. Even

(Continued on page 1848)

PUBLIC UTILITY STOCKS

We maintain an active market in the stocks of
many public utility companies and through
the facilities of our direct private wire
system are especially equipped to
trade in those markets where
our various offices are
located.

PAINE, WEBBER, JACKSON & CURTIS
ESTABLISHED 1879

Public Utility Securities

Natural Gas Stocks Offer Attractive Yields

As a group, stock of utility companies which distribute natural gas or mixed gas, sell at lower average price-earnings ratios, and offer higher yields, than the electric or electric-gas operating company equities. This is the case despite the fact that a number of them own their own gas supply and charge depletion on their gas reserves, which frequently helps to bolster the cash position if gas reserves are ample. A recent comparison between the two groups of stocks shows the following results:

	Average Yield	Average Price-Earn. Ratio
13 Gas (Natural or Mixed) Utility Stocks	5.85%	13.6
49 Electric & Electric-Gas Cos.	5.17	14.6

The highest price-earnings ratio in the list of gas stocks is 18.4 for Montana-Dakota Utilities (which has some electric business); the lowest is for Northern Natural Gas with a ratio of 10.3. The list of companies which are predominantly electric include price-earnings ratios as high as 22 (United Illuminating and Hartford Electric) and as low as 8 (California Electric Power).

In general, the difference between the averages for two groups is probably due to the more seasoned character of some of the electric companies, together with the fact that the regulation of the natural gas industry by the Federal Power Commission is not very well understood. Some investors have doubtless been over-apprehensive over the possibility of burdensome rate cuts or other readjustments, following the Hope Natural Gas decision by the Supreme Court last year.

There may also have been some feeling of uncertainty regarding natural gas reserves, in view of the very heavy demands made by the war industries and the temporary shortages which have developed in some eastern areas served by the Appalachian fields. However, the almost inexhaustible character of the gas reserves in Texas, Louisiana and Oklahoma, together with the fact that additional pipe line connections between these fields and northern consuming areas have been completed, should restore confidence in the retail companies' ability to obtain gas. Addiitonal pipe lines are now projected by American Light & Traction and others.

Moreover, a few of the natural gas stocks rival the electric companies in length of service. Washington Gas Light (which serves mixed gas to the capital city) has paid dividends for 78 years. Lone Star Gas has had a very stable record and dividends have been paid since 1926. Pacific Lighting has paid since 1909, American Light & Traction since 1904 and National Fuel Gas since 1909 or earlier.

Most of the natural gas or mixed gas companies serve substantial areas, including a number of municipalities (exceptions are El Paso, Peoples Gas, Washington Gas Light and Laclede Gas). This affords some diversification as to territory and industries served.

The average investor prefers his stocks to be listed where he can watch them more easily. Of the group here considered, the following are on the big board—Consolidated Natural Gas, El Paso Natural Gas, Pacific Lighting, Southern Natural Gas, Peoples Gas, Washington Gas Light and Laclede Gas (Columbia Gas & Electric might well be included in our list except for the fact that it is not a steady dividend payer. The following are found on the Curb list—Oklahoma Natural Gas, National Fuel Gas, Lone Star Gas, American Light & Traction and Montana-Dakota Utilities. Only one issue—Northern Natural Gas—is unlisted.

The companies in our group include several wholesalers — El Paso, Southern Natural Gas and Northern Natural Gas—but these were retained because of the fact that they service municipalities or retail distributing companies with a substantial part of their output.

NY Security Dealers Annual Outing in June

The New York Security Dealers Association will hold its annual outing at the Pomonok Country Club at Flushing, Long Island, on Friday, June 15, 1945. The golf course will be open to players throughout the day and later members will participate in softball and other such games. Arrangements have been made for a par excellent dinner which will be served at 8:00 P.M.

It will be noted that this is a new place that the Association will hold its annual outing and the inspection of the clubhouse and grounds recently by the executive secretary of the Association indicated that it is all that can be desired for the purposes of a general gathering of the members of the Association.

The Dinner Committee will hold its initial meeting on May 1 to decide on the program for the affair which is planned to exceed that of any previvous one and it is confidently expected that the golf and door prizes that will be distributed this year will far surpass in number and substantiality those of last year which were generally conceded to be outstanding.

The committee is as follows: John J. O'Kane, Jr., Chairman; assisted by Hanns E. Kuehner, John F. Sammon, Chester E. de Willers, Otto A. Berwald, John H. Valentine, Chester A. Alberts, Bertram Seligman, Frank Koller, Jr., James Currie, Jr., Herbert Singer, Melville S. Wien and Stanley Roggenburg.

Hytron Radio Common Stock Offered Publicly

Herrick, Waddell & Co., Inc., and associates, on April 24, offered to the public 225,000 shares of Hytron Radio and Electronics Corp. ($1 par) common stock at $5 a share. Of the stock offered, 200,000 shares represent new financing by the company. The other 25,000 shares are being sold by certain stockholders.

Associated with Herrick, Waddell & Co., Inc., in the underwriting are Mann & Gould; Amott, Baker & Co., Inc.; Brailsford & Co.; Brush, Slocumb & Co.; Nelson Douglass & Co.; Enyart, Van Camp & Co., Inc.; Link, Gorman & Co., Inc.; R. H. Johnson & Co.; Maxwell, Marshall & Co.; Sutro & Co.; the State Investment Co.; Clayton Securities Corp.

Also Sills, Minton & Co., Inc.; A. L. Stamm & Co.; Stirling, Morris & Bousman; Newburger & Hano; Irving J. Rice & Co.; Hall, Tattersall & Co.; Emerson & Co., Inc.; J. H. Goddard & Co.; Prescott & Co.; Clair S. Hall & Co. and McDonald & Co.

Net proceeds from the sale, estimated to be about $822,570, when received by the company, will be added to working capital to finance expanding operations and to purchase machinery and equipment.

The company is one of the oldest producers of radio tubes in the country, the business having been started in 1921.

Upon completion of the financing there will be outstanding 373,835 shares of common stock.

Net sales in 1944 amounted to $5,264,088 and net income to $138,234, compared with $4,461,655 and $125,022, respectively, in 1943.

Draft Relaxed by British

Labor Minister Ernest Bevin announced in the House of Commons on April 12 that Great Britain plans to discontinue the conscription of men of 31 and older after May 1 except where a need for specialists or other special factors present themselves, it was stated in Associated Press advices from London on April 12, which added:

With the same exceptions, the conscription of men and women for war jobs under Britain's national service law will also be discontinued, he added.

No British women have been called up for a considerable time now.

Kaiser N. Y. Offices In Larger Quarters

Due to the steadily increasing activity in the nation's security markets, Kaiser & Co., San Francisco and New York investment and brokerage firm, has announced the removal of its New York office to 20 Pine Street.

The acquisition of these larger quarters marks a further expansion of the firm's brokerage facilities. In February, 1945, Leland M. Kaiser, general partner of the firm, was elected to membership in the New York Curb Exchange. In March, 1944, the firm purchased a seat on the New York Stock Exchange, and in December 1943, was elected to membership in the San Francisco Stock Exchange.

In addition to its brokerage activities, Kaiser & Co. is well known for its specialized investment business in state and municipal bonds.

Other members of the firm include Edwin R. Foley, general partner; Walter D. Heller and Allen E. Meier, special partners. Offices are maintained in San Francisco and New York.

William B. Holton With Merrill Lynch, Pierce

(Special to THE FINANCIAL CHRONICLE)

LEXINGTON, KY.—William B. Holton has become associated with Merrill Lynch, Pierce, Fenner & Beane, La Fayette Hotel Building. Mr. Holton was formerly with W. L. Lyons & Co. and prior thereto was president of Holton, Foster & Co. In the past he was an officer of J. D. Van Hooser & Co. and was a partner in Bacon, Whipple & Co.

Midland Utilities 6s 1938

GILBERT J. POSTLEY & CO.
29 BROADWAY, NEW YORK 6, N. Y.
Direct Wire to Chicago

FIRST CALIFORNIA COMPANY

ANNOUNCES

THE PURCHASE AND CONSOLIDATION OF THE

BANKAMERICA COMPANY

WITH GEO. H. GRANT & CO. TO FORM

FIRST CALIFORNIA COMPANY. OFFICES, FACILITIES

AND PERSONNEL OF BOTH COMPANIES

WILL BE MAINTAINED

FIRST CALIFORNIA COMPANY
INVESTMENT SECURITIES

300 MONTGOMERY STREET
SAN FRANCISCO 4

650 SOUTH SPRING STREET
LOS ANGELES 14

Oakland San Jose Stockton Long Beach Santa Ana
Monterey San Diego Sacramento Beverly Hills Fresno Reno
Pasadena Glendale Riverside

PRIMARY MARKETS IN
BANK and INSURANCE STOCKS

HUFF, GEYER & HECHT

New York 5
67 Wall Street
WHitehall 3-0782
NY 1-2875

Boston 9
10 Post Office Square
HUBbard 0650

Chicago 4
231 S. La Salle Street
FRanklin 7535
CG-105

PRIVATE WIRE SYSTEM CONNECTING: NEW YORK, BOSTON, CHICAGO, PHILADELPHIA, ST. LOUIS, LOS ANGELES, SAN FRANCISO, SEATTLE
TELEPHONES TO
HARTFORD, Enterprise 6011 PORTLAND, Enterprise 7008
PROVIDENCE, Enterprise 7008

Bank and Insurance Stocks

This Week — Insurance Stocks

By E. A. VAN DEUSEN

According to the latest issue of Best's "Insurance News", stock fire-marine insurance companies in 1944 wrote the highest premium volume in the history of the business. Complete figures have not yet been tabulated, but Best estimates the volume at $1,135,000,000, compared with $1,043,835,000 in 1943.

However, complete figures for nearly 250 companies, which write approximately 94% of total stock companies' volume, have been compiled, and the results are as follows:—

Year—	Net Prem. Written ($000)	Net Und. Profits ($000)	Net Inv. Income ($000)	Fed. Inc. Taxes ($000)	Total Net Op. Prof. ($000)	Dividends ($000)
1943	976,836	55,563	79,880	25,891	109,552	69,622
1944	1,064,627	12,508	84,875	10,819	86,564	65,554
Change	+9.0%	—77.5%	+6.3%	—58.2%	—21.0%	—5.8%

It will be noted that although premium writings increased 9%, net underwriting profits declined 77.5%, while net investment income increased 6.3%. This drastic decline in underwriting profits is attributable mainly to the high fire losses experienced in 1944. which were the highest in twelve years. Contributory factors were unfavorable experience on auto collision and tornado insurance. As a result, the average incurred loss ratio of the 250 companies was 57.0%, which was the highest since 1926 except for the abnormally high loss ratio of 59.0% in 1942, due to heavy submarine losses in the early months of that year. Compared with 1943 the average operating ratios for the 250 companies were as follows:—

	1943	1944
Losses incurred to premiums earned	52.0%	57.0%
Expenses incurred to premiums written	42.6	41.7
Combined ratio	94.6	98.7

The expense ratio is calculated before federal income taxes.

In the casualty-surety field, premium volume also hit a new historical high, which Best estimates at $1,220,000,000 compared with $1,129,602,000 in 1943.

Aggregate figures for companies which account for over 90% of total business are as follows:—

Year—	Net Prem. Written ($000)	Net Und. Profits ($000)	Net Inv. Income ($000)	Fed. Inc. Taxes ($000)	Total Net Op. Prof. ($000)	Dividends ($000)
1943	1,023,637	100,459	47,433	55,318	92,574	49,856
1944	1,104,896	106,290	50,408	46,406	110,292	53,015
Change	+7.9%	+5.8%	+6.3%	—16.1%	+19.1%	+6.3%

Contrary to the experience of the fire-marine companies, the casualty-surety companies enjoyed increased earnings in 1944, compared with 1943, and disbursed more dividends. Their operating ratios suffered little change, a slight rise of half a point in the loss ratio being offset by an equal decline in the expense ratio, as the following figures show:—

	1943	1944
Losses incurred to premiums earned	53.8%	54.3%
Expenses incurred to premiums written	36.6	36.1
Combined ratio	90.4	90.4

Again, the expense ratio is before federal income taxes.

It is now of interest to compare the relative market action of fire-marine stocks vs. casualty-surety stocks. For this purpose Standard & Poor's weekly indices will be used, and the period covered will be from Pearl Harbor to the present.

Briefly, between Dec. 3, 1941 and Dec. 10, 1941, fire stocks dropped 7.4% and casualty stocks 7.0%. Since then, up to April 18, 1945, fire stocks have appreciated only 20.0% compared with 33.9% for casualty stocks.

The comparison between the two groups is shown quite clearly in the following tabulation:—

Date—		Fire* Stock Index	Casualty Stock Index
Before P. H.	12- 3-1941	111.8	121.4
After P. H.	12-10-1941	103.5	112.9
Year-end	12-31-1941	105.9	109.7
Low	4-29-1942	86.8	101.4
High	7-21-1943	122.5	144.1
Year end	12-29-1943	114.7	141.0
Year end	12-31-1944	121.6	151.6
Current	4-18-1945	124.2	151.2

From Dec. 3, 1941 to the low of 1942, fire stocks declined 22.4% and casualty stocks 16.5%; from the low to the 1943 high fire stocks appreciated 41.1% and casualty stocks 42.1%. Currently, fire stocks stand 43.1% above the 1942 low, and casualty stocks, 49.1%.

Particularly significant is the fact that fire stocks appreciated during 1944 only 6.0% against 7.5% for casualty stocks (25% better), but that casualty stocks have since declined while fire insurance have moved ahead 2.1% since the first of the year.

It seems probable that the market may be appraising the outlook of the fire insurance companies, for 1945 and the post-war readjustment period, more favorably than that of the casualty companies. In any event, fire insurance stocks have lagged behind the market since the lows of 1942, compared with the casualty stocks and especially the Dow Jones industrial average which has appreciated more than 76%.

Analytic Comparison
18 New York Bank Stocks
March 31, 1945
Sent on Request
Laird, Bissell & Meeds
Members New York Stock Exchange
20 BROADWAY, NEW YORK 5, N. Y.
Telephone: BArclay 7-3500
Bell Teletype—NY 1-1248-49
(L. A. Gibbs, Manager Trading Department)

BRISTOL BRASS
Bought—Sold—Quoted
A. M. Kidder & Co.
Members New York Stock Exchange and other leading exchanges
1 WALL ST. NEW YORK 5
Telephone DIgby 4-2525

Royal Bank of Scotland
Incorporated by Royal Charter 1727

HEAD OFFICE—Edinburgh
Branches throughout Scotland

LONDON OFFICES:
3 Bishopsgate, E. C. 2
8 West Smithfield, E. C. 1
49 Charing Cross, S. W. 1
Burlington Gardens, W. 1
64 New Bond Street, W. 1

TOTAL ASSETS
£115,681,681

Associated Banks:
Williams Deacon's Bank, Ltd.
Glyn Mills & Co.

NATIONAL BANK of INDIA, LIMITED
Bankers to the Government in Kenya Colony and Uganda
Head Office: 26, Bishopsgate, London, E. C.
Branches in India, Burma, Ceylon, Kenya Colony and Aden and Zanzibar
Subscribed Capital £4,000,000
Paid-Up Capital £2,000,000
Reserve Fund £2,200,000
The Bank conducts every description of banking and exchange business
Trusteeships and Executorships also undertaken

Congressmen to See Nazi Atrocities

A group of 12 Congressmen and 17 newspapermen compose the delegation that will personally be shown by the Army the Nazi prison camp atrocities.

Associated Press announced from Washington April 21 that Gen. Dwight D. Eisenhower, in urging that such a delegation be sent, had said that the conditions prevailing in overrun prison camps are "almost impossible to describe in words."

The twelve congressmen designated today will join three Republican representatives — Clare Boothe Luce, of Connecticut; John Kunkel, of Pennsylvania, and Leonard W. Hall, of New York—who are already on the scene.

A ten-member group from the British Parliament also is undertaking a similar first-hand inspection.

Municipal Club to Hear

Tom Meany, PM sports columnist, will be guest speaker at a luncheon meeting of The Municipal Bond Club of New York to be held at the Bankers Club of America on Tuesday, May 1, 1945, at 12:15 p. m. His subject will be "Travels With a Donkey, or Overseas With the USO."

John J. Moore Dead

John Joseph Moore, of John Nickerson & Co., Inc., 61 Broadway, New York City, died at his home at the age of 54. Mr. Moore, who had been with the firm for nearly 25 years, was Assistant Vice-President, Assistant Secretary, Assistant Treasurer and a director at the time of his death.

A San Francisco Preview

(Continued from first page)

18-car trains, each carrying two club cars and two diners with all-day dining car and room meal service . . . The train food, with steak and roast beef dinners ordered from specially designed menus and gobs of butter, surpassed even the Colony and Club 21 fare . . . The porters and train crew were hand-picked on the basis of competitive records . . . **The Pennsylvania Railroad appropriately provided its Assistant Foreign Passenger Agent, while the Western Union sent along a squad of officials to make things comfortable both en route and out here . . .** The movie industry, never to be caught napping, arranged for two of its important public relations officials, Howard Dietz of MGM and Claude Lee of Paramount, to accompany the press and provide the continuous use of two theatres for the edification and entertainment of delegates and correspondents for the duration of the Conference . . . **And all Conference participants are about to be inundated with California's best edibles and wines . . .**

* * *

Splendid public relations technique and fostering of goodwill by the State organizations of all kinds and descriptions is in evidence . . . It appears that each of these organizations has eagerly accepted, and arrived with a chief "consultant" and two associates . . . **The State Department, furthermore, has provided a squad of liaison officers, including Mrs. Ruth Bryan Rhode, to function between it and these organizations . . .**

* * *

Truly remarkable is the great optimism as to Conference results being displayed by the public . . . Enthusiastic crowds were awaiting our Conference-bound trains at many stops, equalling the turnouts for movie stars and war veterans . . . **And among the participants here there is a spirit of dogged determination to play down the obvious difficulties publicly and give civilization a last chance to save itself . . .**

* * *

The Soviet completely dominates all thoughts here . . . The basic three-year question whether, once a common victory is achieved, she will wholeheartedly participate in an effective international organization, still remains an enigma . . . **Despite the correspondents' "gentlemen's agreement" to give the Kremlin every break publicly, there is general and acute concern over its current aggressions, its attitude toward neutrals, its complete taking-over of liberated territories, and over the Russian-Polish situation . . .** The Russian policy of "exclusive capture," and closing off from Allied participation, including even a black-out of news, in the case of the countries she has conquered, and capital cities like Vienna and possibly even Berlin, is thought to be just as serious as acts of more usual direct aggression, and just as important as questions of border determination . . .

* * *

Getting down to the actual coming proceedings, it is perfectly evident from all preliminary discussions, press conferences, and intellectual jam sessions, that there is complete confusion as to the exact nature of the Conference and of just what kind of international organization it is furthering . . . **For example, the desire of some powers to exclude various neutrals from both the Conference now and from the organization later, and to exclude enemy countries from the association permanently, suggests a holy alliance or a dressed-up entente of victor States, rather than a general association of nations to keep the peace . . .** Whereas Chapter Three of the Dumbarton Oaks proposals states that "membership of the organization should be open to all peace-loving States," it is now intended to bar the only countries who have actually kept the peace—namely neutrals . . . The confusion as to the nature of the Conference has, of course, been accentuated by its timing—its occurrence so close to the European war-end, bringing to mind peace-conference procedure . . .

* * *

Russia is understandably impatient with countries which, through their neutrality, may have prolonged the war and added to her terrible burdens . . . She may be justifiably annoyed with Switzerland for having blocked her funds at the start of the invasion by Germany and because of Swiss concurrent cracking down on Russian activities, and winking at inordinate German goings-on within Switzerland . . . **We may dislike the actual or fancied ideologies of other neutrals, but surely their exclusion from an association of nations will make it something different from a world organization fundamentally aiming to preserve universal peace . . .**

* * *

Of course there is the basic danger that the Security Council can easily be transferred into a dictatorship of the Great Powers, having control of all the United Nations' military resources . . . The permanent members—that is, the Great Powers can, if they possibly should want to, transform the Security Council into a concert of the world, on the pattern of the concert of Europe which the Great Continental Powers established in 1814 after the defeat of Napoleon . . .

* * *

This must be recognized as a key to understanding the moves of the powerful countries, the relationship of security—attainment to international idealism . . . While idealism and international cooperation are wholeheartedly desired, it is also recognized that they are for future attainment . . . While waiting for such desiderata, can one doubt that nations which have been bled white for victory will take the necessary steps to ensure their very existence in the interim? . . . **Russia's hurried construction of a security belt, Britain's proclaimed unwillingness to liquidate the Empire, the American Navy's longing for Pacific bases are regarded as necessary immediate steps in the present real world of power politics . . .** If idealism eventually follows, so much the better . . .

* * *

This philosophy is nowhere better exemplified than in the vital trusteeship mandate question, which in all its prospective phases surely at least counters the principles of the Atlantic Charter . . . Admiral King has urged that this country retain the Pacific islands liberated by our forces, and permanent seizure of lands has been volubly advocated by Congressmen as well as our military men, as an indispensable security measure . . . **But how can we pursue such a self-interest policy and at the same time expect other countries to practice pure idealistic democracy—including Russian abandonment of her designs in the Far East—is not at all comprehensible . . .** In any event, whether we eventually have all the American Pacific bases or not, it is thought that here at San Francisco not only will particular areas be omitted from trusteeship discussion, but except for lengthy debate by interested parties and pressure groups, the entire trusteeship mandate question will be dropped by the Conference as too hot to handle . . .

* * *

Naturally, the chief question that will be summarily settled, non-idealistically, is that of Poland . . . At the present moment of writing it is felt that the dispute will be compromised, but with the heaviest quotation marks surrounding the word compromised . . . **Unfortunately it seems that all events coming after disposition of the famous Polish question will be anti-climactic and academic . . .**

* * *

World finance and economics may be importantly determined here . . . An important section of the Dumbarton Oaks organization chart is the Economic and Social Council . . . Under its direct aegis are specifically the Bretton Woods International Monetary Fund and International Bank for Reconstruction and Development along with the International Labor Organization . . . If this Conference does not successfully put into effect the Dumbarton Oaks proposals, then it is expected that Bretton Woods will be killed also . . . **This is particularly true in view of the pro-Bretton Woods argument that opposition means unpatriotic undermining of world peace proposals . . .**

* * *

The Bretton Woods proposals, it is learned here, will be strongly opposed in England on the ground that, pending the post-war elections, the present government should not bind the future government on such crucially important policy . . . **Incidentally, the Britishers here are in complete disagreement as to whether the proposed fund furthers a gold standard or not . . .**

* * *

The great importance of the Economic and Security Council was demonstrated by Britain's Deputy Prime Minister Clement Atlee on his arrival here today . . . He regards it as the medium for creating the economic conditions so necessary for the prevention of future wars—following the thesis that the roots of the present war were economic rather than political . . . In pushing these Economic and Security Council objectives, Mr. Atlee and his Socialist cohorts will of course use it as an instrument to promote their own economic ideologies, including the pressing for an economy of abundance, opposition to economic nationalism in any form and against cartels . . . But it would seem necessary to have a separate and distinct world economic conference to further the international organization's economic aims . . . This will require, at the least, intra-country agreement as to a nation's own economic policies . . . **Even to a greater degree than in the case of the United States are post-war economic policies in Great Britain unpredictable . . .**

* * *

One specific financial matter to be brought up at the Conference will be agitation to have the Court of International Justice, or the Economic Council, obtain jurisdiction over the external obligations, consisting of government, municipal and private bonds, and public utility and other equities of countries whose nationalities are changed by the war . . . Efforts will be made to secure the safeguarding of private interest in such securities . . .

* * *

One of the knottiest political problems facing the Conference proceedings will be the question of guaranteeing territorial integrity . . . Will there be a freezing of boundaries, or will there be future appeasement by throwing the small nations to the wolves? . . . Will there be an equivalent of Article Ten of the League of Nations Covenant? . . . It will be recalled that the League's Article Ten was accompanied by Article Nineteen allowing "peaceful change" . . . The proposed technique of Dumbarton Oaks is, however, much more flexible . . . **Whether a replica of Article Ten guaranteeing borders inflexibly could gain the assent of the Congress is highly questionable . . .**

* * *

Related thereto is the general question of the maintenance of national sovereignty—one of the very knottiest and fundamental questions involved in this international organization, as it was in designing effective action by the League of Nations . . . **The question of how nations can submit to joint law, with enforcement action, and at the same time retain inviolate their national sovereignty, must be dealt with directly and effectively in the imminent proceedings . . .** The present war itself makes radical general change from the concept of sovereignty difficult, as it has accentuated the national consciousness of most peoples . . . Can people come to the necessary conclusion that collaboration with other nations, at the cost of sovereignty, is in reality in the national interest? . . .

* * *

The effect of Mr. Roosevelt's untimely death on the eve of the Conference is a moot question . . . But continually in the minds of persons here there is no question but that real leadership of the proceedings has been removed . . . Strangely the feeling prevails that the management of our international affairs is in the hands of "juniors" and there is an atmosphere similar to that when a bank or the Stock Exchange is taken over and run for a day by boys . . . **More specifically, Mr. Roosevelt's removal accentuates the State Department's weakness in European affairs, and its traditional concentration on the Far East and South America . . .** For example, the only really competent State Department authority on Russian affairs is Charles Bohlen, who was the Third Assistant Secretary of the Embassy. . . . Mr. Roosevelt's absence again will accentuate whatever tendencies the Conference shows to develop into a talk-fest . . . **Under present conditions the United States delegation will not bind itself to any new commitments, whereas Mr. Roosevelt would no doubt not have hestitated to issue directives at will . . .**

* * *

In the writer's considered opinion, President Truman's decision to remain absent from the Conference is eminently correct . . . His substitution for Mr. Roosevelt would have spelled a very great letdown for the Conference—to its extreme detriment . . . Again, it seems to be that the Conference and its likely results have been dangerously over-ballyhooed . . . The general public already anticipates much more than is intended to, or possibly can be, accomplished . . . If this is so, or if there should be relative shortcomings in the final results, the public's later deflation will be lessened, and the failures will be ameliorated, by the new President's absence . . .

* * *

The length of the Conference is anybody's and everybody's guess . . . A straw vote taken by the writer ran from three to six weeks, with a mean of four weeks . . . The general advice would be to put a maximum of three weeks on the proceedings, to prevent a tapering off of interest and attendance . . . This will depend largely on the desire and ability to shut off all the groups that are waiting to be heard, on such questions as Spain and Palestine . . . For example, the friends of the Spanish Republic are here under the leadership of Freda Kirchwey, editor of "The Nation," and former Loyalist Ambassador Del Vayo . . . **Their demands include (1) Exclusion of the Franco Government and (2) the admission of Spain only when there is a democratic government that will put a bomb under Franco . . .** If Mr. Stettinius is generally able to forestall the adolescent ideological dialectics ready to burst on the Conference without endangering goodwill, he surely will justify his reputation as a great executive, and earn the deep gratitude of the vast majority of the participants.

Wilcox-Gay Common Offered at $4 Per Share

Offering of 198,800 shares of common stock of Wilcox-Gay Corp. was made April 23 by Kobbe, Gearhart & Co., Inc., and Carr, Chapin & Co. The stock was priced to the public at $4 per share.

Proceeds from the sale of 180,000 shares of the stock will be used for additional working capital. The major portion of the proceeds will be needed for post-war general operating requirements incident to the needs of an enlarged volume of business which the company anticipates upon reconversion to civilian production. The balance of 18,800 shares is being sold for the account of a stockholder and does not represent financing by the company.

Upon completion of this financing the outstanding capitalization and funded debt of the company will consist of 350,300 shares ($1 par) common stock; a $60,000 15-year 4% debenture and a $1,000,000 regulation V-Loan under a revolving credit agreement.

Viner Admits

Amelia I. Viner has been admitted to partnership in Edward A. Viner & Co., 220 Broadway, New York City, members of the New York Stock and Curb Exchanges.

TRADE MARK
GAMEWELL
REG. U.S. PAT. OFF.

Future of Insurance Companies

The insurance industry is being
attacked from three vital angles

(*1*) Demand For Lower Rates

The public insistence on rate cuts will probably grow stronger—with the agents the greatest sufferers.

(*2*) Lower Income on Portfolios

The degree of injury sustained will depend upon future interest rates from which no immediate relief is in sight.

(*3*) Increased Fire and Casualty Losses

These losses can be largely reduced—Loss-ratios are inversely proportioned to municipal fire, police and traffic signals supplemented by sprinklers, automatic alarms and well-trained manpower. *Upon these the value of insurance stocks largely depends.*

YOU CAN HELP

Reduce Fire and Casualty Losses by Recommending—

(1) A FIRE ALARM BOX — *at every fire hazard.*★
(2) BETTER "HOUSEKEEPING" — *keeping the property free of rubbish.*
(3) ADEQUATE POLICE PATROL — *with recorded performance of police duty.*
(4) SPRINKLER SYSTEMS AND AUTOMATIC FIRE DETECTION SYSTEMS
(5) TRAFFIC SIGNALS — *at street intersections.*

★ 70% of the losses occur as a result of only 4% of the total fires. If municipal fire alarm boxes had been on this 4% of the buildings involved then over 50% of your total fire losses might have been eliminated.

The Gamewell Company

Newton Upper Falls Massachusetts

THE LORD-ABBETT GROUP
OF INVESTING COMPANIES

Affiliated Fund, Inc.

Prospectus upon request

LORD, ABBETT & CO.
INCORPORATED
NEW YORK · CHICAGO · ATLANTA · LOS ANGELES

Mutual Funds

"New Era"

The following is reprinted from the current issue of **Brevits** with our sincere appreciation to **Vance, Sanders & Co.** for stating clearly what must be a fervent hope in the minds of many Americans.

"For the some 15 years that **Brevits** has been published, it has never been the policy of its editors to discuss politics or to become involved in the many ramifications which are bound to result from expressing a political opinion.

"However, it does not seem to be inappropriate at this time to make a few general observations about the possibilities of a more realistic view on the part of our Government as far as business enterprise is concerned.

"We speak now of the almost forgotten theory that it does not do an honest citizen a great deal of harm to accumulate a bit of wealth. This is a concept that has been almost totally absent in government thinking for the past 12 years.

"When we were younger, we could at least look forward to the possibility that an honest day's work would be rewarded by an honest day's pay, and it has been with a troubled mind that we have watched the developments of the past few years when we have had a new generation grow up under the influence of a planned economy in which a man with a pound of brains has been considered on a par with a man with an ounce of brains.

"It seems to us that one of the greatest things that President Truman could do for the men and women who are fighting this war and who will run the country for the next 25 years is to bring our government thinking back to the point where each and every citizen can at least hope that an honest effort will bring its just reward.

"With all humility for the virtues of our late President, who has undoubtedly established a great name for himself in the annals of history, let us go back to another great President who has worn well with the passage of years.

"Abraham Lincoln said, 'Prosperity is the fruit of labor; property is desirable; is a positive good in the world. That some should be rich shows that others may become rich, and hence is just encouragement to industry and enterprise. . . . Let not him who is homeless pull down the house of another, but let him labor diligently to build one for himself, thus by example assuring that his own shall be safe from violence. . . . I take it that it is best for all to leave each man free to acquire property as fast as he can. Some will get wealthy. I don't believe in a law to prevent a man from getting rich; it would do more harm than good.'

"While President Truman has not expressed his views in detail with respect to many subjects which will affect the future of America, we have a reasonably good idea that his thoughts and philosophies are in line with the concept upon which the country has become great—that it is indeed a country of dynamic force and is the antithesis of those countries which have lost faith in the capitalistic system.

"In our opinion, there is a good possibility that from here on in, we may experience a more down-to-earth philosophy with respect to the relationship between government and business. At least it would seem to be a reasonable prospect that we shall have fewer untried schemes and panaceas develop than has been evident for the past few years.

"In any event, let us back our new President to the best of our ability and let us see if the next few years will not produce a new era on the basis of the accepted concept of a free enterprise system."

Briefs

The growth of a $10,000 investment in **Commonwealth Investment Co.** over a period of 12 years is shown in a current folder issued by **North American Securities Co.** In the period from 1933 through 1944, net asset value of such a $10,000 investment increased to $24,486 and total dividend received amounted to $12,134.

* * *

"Fourteen times in three years," is the record for **Selected American Shares** in making up the difference between bid and asked prices.

* * *

Distributors Group in a new folder on **Group Securities' Low-Priced Shares** uses charts to show that: "On a return to 1936-37 highs, the profit possibilities in low-priced shares are from 3 to 10 times as great as for the higher priced stocks."

* * *

Calvin Bullock in its current **Bulletin** points out that only a tremendously wealthy man could buy 100 shares each of the 100 stocks owned by **Dividend Shares.** The investor of average means, on the other hand, can obtain the diversity and protection of dividend shares more economically by buying shares of the Fund than by purchasing one share each of the individual stocks held.

* * *

Lord, Abbett's Walter Scott, in the current "streamlined" issue of **Abstracts**, writes: "Bob Driscoll's Management Group (Research & Management Council, Inc., to be formal) is still very bullish on the main trend and bought stock during the reaction in March."

* * *

Vance, Sanders, in the current issue of **Brevits**, quotes from the annual report of the Provident Mutual Life Insurance Company of Philadelphia, referring to the inclusion of common stocks in its portfolio of investments. **Brevits** sees the possibility of a tremendous new source of buying power developing in the stock market as a result of the trend toward common stocks among the life insurance companies.

* * *

Massachusetts Investors Trust, in its quarterly report to shareholders, reveals that the total number of shares outstanding at the close of the quarter was at an all-time high of 7,108,977. Inasmuch as the Trustees do not accept compensation for the management of assets represented by shares outstanding in excess of 6,000,000, the management fee of 5% of gross income was reduced during the quarter to 4.2% of gross.

* * *

Calvin Bullock devotes the current issue of **Perspective** to "some assuring aspects of the steel industry." On the basis of forecasts set forth in the bulletin, "the conclusion is inescapable that steel shares as a group are undervalued."

* * *

"The basic trend for equity prices continues to be **up**," writes **Hare's Ltd.** The current analysis of this sponsor's fact-finding service continues to justify the expectation of substantially higher stock and commodity prices and stability for the time being in long-term bonds.

* * *

Mutual Fund Literature

North American Securities Co.—Revised prospectus on **Commonwealth Investment Co.** dated Feb. 26, 1945. . . . **Putnam Fund Distributors**—Revised prospectus on the **George Putnam Fund** dated March 15, 1945. . . . **Selected Investments Co.**—Revised prospectus on **Selected American Shares** dated March 15, 1945. . . . **Distributors Group**—Current issue of Investment News,, "First Reactions to Truman," and a current issue of Railroad News, "The Bull Market Resumes." . . . **Lord, Abbett**—First issue of the new Investment Bulletin, entitled "Parade," and emphasiing the statement: "There are many powerful forces making for higher security prices." . . . **Hare's Ltd.**—Memo on Aviation Group Shares of **Institutional Securities, Ltd.**; current issue of Current Considerations.

Dividends

American Business Shares, Inc.—A quarterly dividend of 4c per share payable May 20, 1945, to stock of record May 10.

Railroad Equipment Shares

A Class of Group Securities, Inc.

Prospectus on Request

DISTRIBUTORS GROUP, INCORPORATED
63 WALL ST. · NEW YORK 5, N. Y

NATIONAL SECURITIES SERIES

Prospectuses upon request

National Securities & Research Corporation
120 BROADWAY, NEW YORK, (5)
LOS ANGELES, 634 S. Spring St., (14)
BOSTON, 10 Post Office Square (9)
CHICAGO, 208 So. La Salle St. (4)

Shares of Capital Stock of

INCORPORATED INVESTORS

Prospectus of Incorporated Investors may be obtained from investment dealers or

THE PARKER CORPORATION
ONE COURT STREET
BOSTON, MASSACHUSETTS

Keystone Custodian Funds

★

Prospectus may be obtained from your local investment dealer or

The Keystone Corporation of Boston
50 Congress Street, Boston 9, Mass.

Post-War Federal Taxes

(Continued from first page)

should even chartered life underwriters give it a place on this program? Why not devote yourselves to more attractive subjects like mortality rates? The answer is, of course, obvious. Taxation, particularly federal taxation, is no longer the concern merely of the middle and upper brackets. Over 40 millions of people are filing income tax returns each year now, and paying taxes at initial rates totalling 23 per cent. in the first bracket. Income and excess profits taxes are a major concern of every business. Income, gift, and estate taxes are a major concern of every thoughtful individual. We each have a great personal yearning to be relieved of our tax burdens. At the same time, we each have a vague and disquieting conviction that the good old days of the twenties and thirties will never return. Can we even hope to retain the system of free private enterprise? Is it only a question of years until life insurance becomes a function of the State, with standard policies for all? What is the economic outlook of the United States of America?

Obviously, I cannot hope to cover all this territory. I shall confine myself wholly to the federal tax outlook. Moreover, I do not want merely to gaze into the crystal ball, and to tell you the figures of tax receipts and expenditures I see there. It will be more serviceable to you for me to attempt to outline the premises on which fiscal policy should be based, and the choices open to the Congress and the people after the war. With this foundation, you can formulate your own tax system.

Taxation in Postwar Economy

There can be little question that the federal tax•program is bound to be a factor of major importance in the postwar economy. The first question is: Are we willing to be taxed at a level sufficient to cover current expenditures? Of course, there will be years of transition after the end of hostilities first in Europe and then in Asia, in which the budget probably will not be balanced. Some day, however, perhaps two or three years after the war is all over, we will arrive at the beginning of a normal postwar period. We will already have incurred the greatest public debt we have ever known, and the interest charge will be the one great inflexible item in our budget. We want business to go forward, to provide steady and increased employment, to enter into the broad new fields of activity that the inventions of the war as well as the destruction and deprivations of the war have made possible. The primary need for active business will be confidence in fiscal and monetary stability. We cannot expect any such confidence, if our ordinary peacetime budget is not balanced in normal years. Businessmen and investors can be expected to take business risks, if they regard the national economy as stable. The economy will be anything but stable if there is little confidence in national fiscal soundness; if serious inflation seems to be just around the corner.

Free Enterprise Involved

We believe in the economic system of free private enterprise. We believe that the best hope for the future of this country lies in the maintenance and in the continued growth of that system. National well-being depends upon a high volume of production and employment. To foster it requires a substantial flow of capital funds into old and new enterprises under the stimulus of the profit motive. Among other conditions conducive to large production and stable employment is confidence in fiscal and monetary stability. Maintenance of this confidence requires prudent management of the public finances.

Our interest is in a tax program for a solvent America. Taxation should produce total revenues sufficient to cover current expenditures and to make some provisions for debt retirement. Taxation is always burdensome, yet it is the price we must pay for the services of government. Intelligent fiscal planning demands a constant balancing, by legislators and their constituents, of the burdens of additional taxation against the gains to be derived from additional governmental services.

The postwar federal budget will exceed anything of the kind in the nation's pre-war experience. Yet there will be only one item in that budget which will be inflexible, namely, the interest on the public debt. As to all other services, some leeway in the cost is possible according as the people incline to prudence or extravagance. Prudence in expenditure is a policy most likely to diminish the restraint which taxation imposes upon the enterprise incentives. Nevertheless, a believer in the democratic process cannot logically oppose extravagance provided that the people have weighed the cost in terms of the tax burden and the effects on enterprise and are prepared to pay the bill as they go. Before setting the budget at a high figure it should be perfectly clear that all of the people have participated in a rational decision on this point.

Premises of Fiscal Planning

These are the two major premises on which fiscal planning should be based: active business under a system of free private enterprise, and a balanced federal budget. Two more issues directly related to the kinds and burdens of taxes must then be considered. What may the national income be expected to be? Second, how much national expenditures are to be met with taxes? After these questions are answered, the choices of particular taxes lie immediately before us.

Qualified students have estimated the postwar national income at various figures. Two estimates which have attracted attention are $125 billions (Brookings Institution) and $140 billions (C.E.D. and Ruml-Sonne). The former is a more conservative calculation, and hence may best be used as the basis for our calculations. It assumes active business and a high level of employment. The national income has been much higher than $125 billions during the war years, but in normal prewar years it was never anything like so much. Thus, in 1929, the national income was about $80 billions. Active business and full employment after the war is a national article of faith. Businessmen and government alike will bend their best efforts to make our faith come true. We can fairly formulate our tax estimates on the basis of a national income of $125 billions, which assumes such business conditions.

Post War Budget

The total of federal expenditures can vary between wide limits. As I have stated, the major inflexible item is interest on the national debt, likely to run at least $5 billions per year. How much do you want to spend on national defense? We could spend $3 billions or $4 billions or $5 billions or more. How much do you want to spend on veterans' pensions? It could be $1.5 billions or more or less. What for the civil departments? For aid to agriculture? For lease-lend? A low budget of federal expenditures will run around $15 billions, about twice what we spent in the thirties. A high budget could run to $10 billions more, but perhaps would actually stop at $22 to $24 billions. The best brake upon expenditures is the final consideration before us, namely, how are these expenses to be paid for?

Customs, the taxes on liquor and tobacco, and a selected list of other excise or sales taxes which have long been levied might be expected to yield $3.5 billions in a postwar year. If the estate and gift taxes and the gasoline taxes are levied by the federal government, about a billion more can be obtained. The rest of the necessary revenue will have to be obtained from income taxes, individual and corporate. If the total of expenditures to be met were $15 billions, at least $10.5 billions must be raised by income taxation. This is a tremendous sum, compared to the $2 billions proceeds of this tax in 1940, but it is much less than the total of $33 billions income and excess profits taxes paid in 1944. Since the bulk of the income flow comes to persons in the lower and middle brackets, the exemptions must remain about as they are, $500 per person. The initial rate of the tax would be 15-18 per cent.; and the total of normal tax and surtax would be about 42 per cent. at $25,000 and 51 per cent. at $100,000. To any taxpayer whose potential savings have been taken in taxes during the past several years, an income tax of this sort would be tolerable, though it would be much heavier than the taxes of the twenties or thirties.

If the budgetary expenditures rise above $15 billions, the income tax rates must increase **pari passu.** Aid to farmers or veterans, a very large military establishment will have a strong appeal to many citizens and may largely increase budgetary expenditures. We must always balance their advantages against their cost, as we do in the case of our personal expenditures. Bear in mind that the bulk of the revenue will have to be raised by an income tax. Excise and sales taxes will no doubt be used, but increases in expenditures will nearly all have to be met by heavier income taxation. If the total to be raised is $18 billions, the initial income tax rate can be 18-20 per cent. (that is, a little less than at present) and the surtax rates can also be somewhat less, but still notably more than would be required to meet a $15 billion budget. If the budget calls for $22 billions, the starting rate would need to be at least 20 per cent., and even more than that, unless there were use of very heavy taxes at all other points. In other words, a $22 billion peacetime budget will not give us much relief from present tax rates.

Whatever the budgetary level, individuals should receive a credit with respect to corporation dividends at the initial or basic rate (corresponding to the traditional "normal tax") for the tax paid by the corporation on the income distributed. Long-term capital gains should continue to be taxed at a 25 per cent. rate and all capital losses should be deductible against ordinary income on the same basis that the capital gains would be includible.

Tax Alike Business and Individual Incomes

Business income whether earned by individual businesses or corporations should be taxed, so far as possible, like other income. Corporation income and individual incomes from business or other sources should be taxed at the same basic or initial rate. The excess profits tax should be repealed when the peak of war production has passed, perhaps as of December 31, 1946. The capital stock and declared value excess profits tax should be repealed. The double taxation of intercorporate dividends should be eliminated, as well as the additional penalty tax on income included in a consolidated return. The reason for all this is one of our initial premises: we want active business and full employment. We want to encourage business to expand into new fields. We want to encourage new investment and venture capital. The excess profits tax can be tolerated by an established enterprise, but it is the great brake upon new enterprise and growing enterprise. There seems to be general agreement that it should be repealed as promptly as possible after the war.

The scope of the excise taxes must depend upon revenue requirements. A reasonable number of excises will promote revenue stability in times of fiscal strain, distributing a part of the tax burden according to the spending, rather than the receipt, of income. Sales of liquor and tobacco will surely be taxed, and taxes on other widely used commodities may be required. If the budget should rise to a sufficiently high level, say $22 billions or more, it will be difficult to maintain budgetary balance without resort to a sales tax.

Inheritance Taxes Should Go to States

The taxation of inheritances and estates, as well as gifts, should be returned to the states, as one means of revenue equalization. If these taxes continue to be levied by the federal government, the gift tax should be integrated with the estate tax; no estate tax should be levied on transfers to the decedent's spouse; and the rates should be somewhat reduced and stabilized.

This is a very summary outline of a very big subject. I have not attempted to fill in the many details. The Committee on Postwar Tax Policy, of which I have been Chairman, will shortly publish a full report on the subject, in an endeavor to give businessmen and citizens generally the information to enable them and their legislators to make intelligent choices after the war.

Let me repeat: The tax program which the United States will adopt after the war, and its impact upon the economic and social life of the country, depends upon a series of major choices. The first great questions are: What services do we want the government to perform for us, and how much are we willing to pay for them? The next great question is: Do we believe in a solvent America, in which current governmental expenses are met out of current governmental revenue? Expenditures will necessarily be at a high level, compared to prewar days, but if we as citizens encourage the Congress in a policy of careful control of governmental outlays, a series of further choices of the components of the tax system are open. On the other hand, if a policy of free spending is followed, very few choices among taxes will be possible. The Treasury will have to seek all the revenue it can get from all the sources available to it.

The citizen can make his own choices. Sound ideas, if clearly presented, will gain acceptance in the market place.

Governor Dewey Signs Bill Changing Stock Transfer Tax

Approves Mitchell-Coudert Bill Which Repeals Emergency Tax and Fixes a Scale of Rates Based on Value

On April 19, Governor Thomas E. Dewey signed the Mitchell-Coudert bill, which provides for repeal of the emergency stock transfer tax of 1932, and which revised the scheme of the normal tax from the imposition of a flat rate, to a scale of rates based upon the selling price of the shares taxed.

The new schedule, which goes with effect July 1, increases the regular transaction tax on each share from 1½c to 2c, except where shares are sold. In effect, this represents a decrease because the combined regular and emergency taxes totaled 3c.

The graduated rates on shares sold will be under the new law, 1c for each share selling at less than $5; 2c per share selling at $5 or more but less than $10; 3c per share between $10 and $20, and 4c per share at more than $20.

Dunbar Elected Secretary

Charles E. Dunbar, Assistant Vice-President of Discount Corporation of New York, 58 Pine Street, New York City, has been elected Secretary to succeed Francis D. Bartow, Jr., who has resigned from the firm.

Oak Manufacturing Co. Bonds & Stock Offered

A new issue of $1,000,000 ten-year 5% sinking fund convertible debentures and 350,000 shares ($1 par) common stock of Oak Manufacturing Co. were offered April 24 by a banking group headed by Paul H. Davis & Co. of Chicago. Oak Manufacturing makes parts for radio, radar and radio-electronic apparatus at Chicago and Crystal Lake, Ill.

Participating in the offering are: Ames, Emerich & Co., Inc.; A. C. Allyn & Co., Inc.; Reynolds & Co., and Bear, Stearns & Co.

The debentures were offered at par and accrued interest from April 1 and the common stock at $10 per share. The company will receive the proceeds from the sale of the debentures and from 50,000 shares of common, a total of $1,340,950 which is to be used to retire $960,000 of five-year 4% debentures and $440,000 of ten-year 4% subordinated debentures. Any additional funds needed to effect the refunding will be taken from the company's working capital. The remaining 300,000 shares of common involved in the financing represent a part of present holdings of five stockholders.

Remittances to
THE LIBERATED AREAS OF THE
Philippine Islands

Remittances of funds up to $500 per month per household for living expenses may now be made to the liberated areas of the Philippine Islands in conformity with United States Treasury regulations.

The Chase National Bank has been designated by the President of the Philippines as New York correspondent of the Banking Division of the National Treasury of the Commonwealth of the Philippines through which such remittances can now be effected.

Remittances for other purposes or of greater amounts are subject to specific United States Treasury license.

Whether you desire to remit funds by cable or ship's mail, the Chase is in a position to translate your wishes into immediate action.

THE CHASE NATIONAL BANK
OF THE CITY OF NEW YORK

Member Federal Deposit Insurance Corporation

Province of
ALBERTA
(all issues)

Chicago,
Rock Island
& Pacific Ry.
New Securities
(When Issued)

ERNST & CO.
MEMBERS
New York Stock Exchange and other leading Security and Commodity Exchs.
120 Broadway, New York 5, N. Y.
231 So. LaSalle St., Chicago 4, Ill.

IBA Urges System For Local Financing For Small Business

A nation-wide system of local community investment houses to provide venture capital for post-war small business was urged by the Investment Bankers Association of America, it was revealed in Associated Press dispatches from Washington on April 24, which had the following to say about the proposal:

The proposal was presented to the House Post-War Policy Committee by John F. Fennelly, of Chicago, chairman of IBA's small business section.

He suggested investment companies be spread over the country to form "a system of decentralized investment funds under the management of local business men, who are the only persons well qualified to evaluate the merits of small local enterprises."

U. S. and Britain Sign Tax Agreement

The United States and Britain have signed agreements designed to avoid double taxation on the same income or estate by both countries and to prevent tax evasion, said Associated Press advices from Washington on April 24, and added: Secretary of State Edward R. Stettinius, Jr. and the Earl of Halifax, British Ambassador in Washington, signed the two conventions April 16, the State Department announced on April 24. The United States has similar pacts with Canada, France and Sweden.

Tennessee
Central
Railway
Common Stock

Adams & Peck
63 Wall Street, New York 5
BOwling Green 9-8120 Tele. NY 1-724
Boston Philadelphia Hartford

Chicago, Rock Island & Pacific Ry. Co.
When Issued Securities
New York Stock Exchange Stock Clearing Contracts Only

PFLUGFELDER, BAMPTON & RUST
Members New York Stock Exchange
61 Broadway New York 6
Telephone—DIgby 4-4933 *Bell Teletype*—NY 1-310

Railroad Securities

Chicago, Milwaukee, St. Paul & Pacific Income "B" 4½s, 2044

There are two major systems likely to emerge from the reorganization in 1945. They are the Seaboard Air Line and the Chicago, Milwaukee, St. Paul & Pacific. Of the two, the larger and more important is the St. Paul.

In considering the St. Paul, the investor cannot overlook the improvement in the fundamental position of this system. This improvement has resulted from (1) the industrial growth of the Northwest and (2) the improved national agricultural outlook whereby some 30 to 40 million acres of tillable soil may well be returned to cultivation. The St. Paul should obtain more than its proportionate share of this development due to its geographical location. Industrial growth of the Northwest should continue, since the war has concentrated 15-20 years' industrial development within the short span of five years. A great deal of this industry will remain since the territory will be benefitted by the development of government-financed power projects in the Northwest (Grand Coulee and Bonneville) and cheap power should be a major factor in the transformation of much of this war industrialization to peacetime industrialization.

The reorganization plan of the St. Paul was very drastic, the reduction in fixed debt amounting to 69.98% and fixed and contingent debt 57.41%. Even more striking is the reduction in fixed interest effected as a consequence of this reorganization, namely 74.55%, and in fixed and contingent interest, 61.88%. The following table will indicate (a) the over-all coverage through the Income "B" bonds in the years 1940 to 1944 inclusive, together with such coverage in a normal post-war year as estimated, and (b) such coverage giving effect to probable refunding of the First Mortgage 4s immediately following emergence from reorganization, on a 3% basis (there have been rumors of a 2¾% coupon), and to the refunding of the Income "A" 4½s with a possible 3¾% coupon. We believe it more than likely that the Income "A" 4½s will be the first of the reorganization Income bonds to be refunded on a lower coupon basis:

Year—	Overall Coverage (a)	(b)
1940	1.71x	1.98x
1941	3.33x	3.86x
1942	4.07x	4.73x
1943	6.03x	7.01x
1944	3.96x	4.60x
Post-War Estimate	2.29x	2.67x

The overall coverage as shown above compares very favorably with other "when issued" securities, as well as with those Income bonds of companies already emerged from reorganization. Traffic density of the St. Paul is not particularly outstanding, but nonetheless satisfactory. Net ton miles per dollar of debt, however, is very high, equalling or exceeding the majority of Income bonds either currently outstanding or to be presently outstanding upon completion of their reorganizations.

The table does not take into consideration the possibility of debt retirements. Net working capital of this system rose from $37.6 million at the end of December, 1941, to $128.4 million at the end of 1944, despite a cash distribution of $21 million made in 1942 covering almost three years' interest accruing to the General Mortgage bonds. If we allow for distribution of $52 million authorized by the Court for accruals of interest and dividends up to January 1, 1944, and for interest payments for 1944 and 1945, and probable preferred stock dividends for those two years, and if we further provide for payment of reorganization expenses and repayment of the RFC loan, St. Paul should emerge from reorganization with around $40 million of working capital. Unless the funds are to be used for gross capital expenditures far beyond those presently expected, a part of this surplus working capital could be used to retire debt at the discretion of directors. It is interesting to note that in the period 1937-1943 gross capital expenditures of this system totaled $85.3 million, which suggests the need of further gross capital expenditures on a large scale.

The bonds that are particularly outstanding are the Income "B" 4½s, selling currently at 84 with nine points accruals which will be paid as of emergence from reorganization, now expected by the end of this year. This reduces the price to 75, at which level a yield of silghtly more than 6% is afforded, an excellent yield in this market. The First Mortgage 4s, currently selling at 105½ and callable at 105 are institutional in character and likely to be refunded. The Income "A" 4½s, selling currently at 99 (9 points accruals as of December 31, 1945) and callable at 101 represents one of the best, if not the best, Income bonds of the major carriers and in turn, as already stated, should be one of the first Income bonds to be refunded on a favorable interest basis.

The preferred stock, selling currently at 61, with probable dividend disbursements of 10 points covering the years 1944 and 1945, is particularly attractive for those seeking higher yield than afforded on the Income "B" 4½s. The common stock is a high leverage issue possessed of considerable speculative merit and attractive to those in a position to undertake a greater-than-average speculative risk.

Seaboard Railway Company
(when issued)
Chicago, Milwaukee, St. Paul & Pacific R.R.
(when issued)
Bought — Sold — Quoted
Complete arbitrage proposition on request
When issued profits discounted
SUTRO BROS. & CO.
Members New York Stock Exchange
120 BROADWAY, NEW YORK 5, N. Y.
Telephone REctor 2-7340

Attractiveness of
Chicago, Rock Island & Pacific Ry.
BONDS
Letter Available to Brokers and Dealers
VILAS & HICKEY
Members New York Stock Exchange
49 Wall Street New York 5, N. Y.
Telephone: HAnover 2-7900
Teletype: NY 1-911

Broker-Dealer Personnel Items

If you contemplate making additions to your personnel please send in particulars to the Editor of The Financial Chronicle for publication in this column.

(Special to THE FINANCIAL CHRONICLE)

JACKSON, MICH. — **John W. Hazelworth** has become associated with **H. H. Butterfield & Co.,** Jackson City Bank & Trust Co. Bldg. In the past Mr. Hazelworth was with E. H. Rollins & Sons, Peninsular State Co. and Cray, McFawn & Petter.

(Special to THE FINANCIAL CHRONICLE)

MIAMI, FLA. — **Ernest Ross Cochran** has been added to the staff of **Clark Davis Co.,** Langford Bldg.

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, MO.—**Marianne P. Bray** has joined the staff of **The Boatmen's National Bank of St. Louis,** 300 North Broadway.

(Special to THE FINANCIAL CHRONICLE)

ST. PETERSBURG, FLA.—**Alfred T. Farrell** is with **W. H. Heagerty & Co.,** Florida Theatre Bldg.

(Special to THE FINANCIAL CHRONICLE)

SHEBOYGAN, WIS. — **Rudolph Finst** is connected with **Heronymus & Co.,** Security National Bank Bldg.

Caffrey Approved by Senate Committee

The nomination of James J. Caffrey of New York to be a member of the Securities and Exchange Commission was approved by the Senate Banking Committee on April 24, it was made known in a United Press dispatch from Washington on the same day from which the following has been taken:

Mr. Caffrey was nominated by the late President Roosevelt, but Chairman Robert F. Wagner told reporters that President Truman "is well satisfied." Mr. Caffrey's appointment was given in the April 12 issue, page 1597.

Army To Release Enlisted Men of 42

The War Department announced on April 24 that enlisted men 42 years of age or over will be discharged from the Army at their request, according to Associated Press advices from Washington on April 24 which added:

The ruling will not apply to any soldier who is undergoing disciplinary action or who is in need of further medical or surgical treatment. Approximately 50,000 men in the Army are 42 or over, the department said.

Soldiers overseas who apply for and are eligible for discharge will be brought back to this country for release at the "earliest practicable date."

We wish to purchase underlying issues of the:
ROCK ISLAND
SEABOARD
AND ST. PAUL

l. h. rothchild & co.
Member of National Association of Securities Dealers, Inc.
specialists in rails
52 wall street n. y. c. 5
HAnover 2-9072 tele. NY 1-1293

McLAUGHLIN, BAIRD & REUSS
Members New York Stock Exchange

BOND BROKERAGE SERVICE
Specializing in Railroad Securities

ONE WALL STREET NEW YORK 5
TEL. HANOVER 2-1355 TELETYPE NY 1-2155

Post-War International Credit And the Bretton Woods Proposals

(Continued from first page)

usually of two years' maturity, up to four years, extended to the Soviet Government itself to finance the purchase of capital goods. Their total volume was very limited—a drop in the bucket of reconstruction needs. And they would not do because of comparatively short maturity.

Another exception to the rule is direct investments by corporations undertaken for the benefit of commercial profits. Risk-capital of this kind, such as for facilities needed by oil companies, may be available to some extent even for a country surrounded by exchange restrictions, but for obvious reasons it cannot amount to much. Nor can special arrangements of the Dawes loan type.

True investment capital, the kind desirable for reconstruction, and such as Germany received after the last war, and in vast volume at that, could not possibly flow through regular commercial channels to countries which promise to pay the interest, but threaten to freeze the capital.

Who will buy British or French securities if he has no prospect to liquidate them in a lifetime? How could a market be developed in such securities—unless under a special regime of international control to which no self-respecting country is likely to submit—if the debtor is not able or willing to permit the transfer to the creditor, or retains the right to stop transfers at any time? Even the investor who intends to "sink" his capital in a permanent fashion wishes to have the possibility of at least partial liquidation if an emergency arises. Effective exchange regulations which freeze the foreign investor are simply not compatible with the free flow of capital.

This much has to be said as introduction to discussing the prospects of post-war capital flow, because virtually every one of the Allied governments which have actively participated in the war is planning to continue the control of capital movements for an indefinite period. Every one of them lays hands on its citizens' foreign assets, and prohibits the export of the capital of its own nationals as well as the repatriation of capital invested in its country by foreigners. It is essential to realize that what we used to call the system of international finance, the flow of capital from countries with low interest rates to those with capital shortage, that system which has been so essential in developing a capitalistic world and reconstructing areas devastated by war or earthquake—that system belongs in the past, unless the freedom of capital movement is restored again. But there is not the slightest prospect at present that it will be restored. And there are additional inhibitions to be faced.

Private (non-political) creditors expect attractive interest or profit rates. But England is sold on Cheap Money, and it will be very difficult to move her off that track because one-sixth or so of the vast national debt (approximating $100 billions at present exchange rates), will accumulate in the commercial banks which could not survive the depreciation of their portfolios, to say nothing about the damage to insurance companies and other institutions. Nor could new bonds easily be sold with rising interest rates, and they will have to be sold since the deficit will continue for some time. France, too, has lately accepted the Cheap Money philosophy—its chief opponent just quit De Gaulle's Cabinet — and most western European Allies are likely to follow the British pattern that will militate against attracting U. S. money into their fixed interest-bearing securities.

So will high taxes against the sale of stocks issued by corporations domiciled in Britain, unless the deduction of income tax at the source will be "relieved." In England—less so on the Continent—trade union policies tending to freeze wages and employment at war-time levels, will be another factor discouraging foreign risk-capital.

II.

Widespread agreement prevails in Britain that after the war their country will retain both: artificially low money rates and a very large measure of control over its foreign exchange market, especially over capital movements. But few seem conscious of the fact, or willing to admit, that the consequence will be to deprive Britain of the normal flow of foreign capital without which reconstruction will be greatly impeded and delayed—unless a substitute can be found.

However, consciously or otherwise, **Britain's outlook on her own place in the post-war world economy** is decisively influenced by the prospect that foreign funds will not be available in a measure comparable to her vast needs for recapitalization, not at any rate through commercial channels. The reaction takes different forms, expressed in the passionate discussion of the Bretton Woods program.

Many businessmen and financial experts, supported by a minority of economists, long to return to the gold standard. They are sick and tired of Managed Money and of the all-pervasive governmental interferences. They frown upon the artificialities of Bretton Woods, which they consider as typical of current trends in academic economics. (A leading London banker coined the *bon mot:* modern economics is "a cacophony of pleonastic tautologies.") This school of thought has not yet come into the open with a concrete program for the handling of a prospective $1½ to $2 billion annual deficit in Britain's balance of payments. What would be the effect of a return to normalcy in a country that would soon lose its gold reserve, exposing itself to a severe price deflation or to a run-away depreciation of its currency? Presumably, a transitory period of control is unavoidable, but the idea is that gradual relaxation and ultimate restoration of free exchanges should be the objective.

The opposite extreme is represented mainly by academic economists of the Keynesian school who carry their master's philosophy to its logical conclusions. The younger generation of Oxford and Cambridge students, in particular, which has grown up during the great depression, and cannot visualize capitalism except in its depressed and somewhat defeatist British inter-war variant, is sold on over-all management and financial self-sufficiency for Britain. The most vocal among them are refugees from the Continent who have absorbed the planning ideologies prevalent in Russia and Germany. They are violently opposed to classical economics, taking their cue from Keynes' last book. (I heard some of them state that economics began in 1936, when that book appeared.) Presently, they attack Keynes for having become "untrue" to his own basic premises. Their chief argument is that the U. S., being a *laissez-faire* country (under the New Deal, mind you), is heading for a big depression against which Britain can insulate herself only by a self-sufficient Sterling bloc, to include the colonies and western and well as southern Europe. They do not worry about a precise definition of the area to be covered, or its willingness to join, impressed as they are by the "success" of totalitarian experiments in full employment under foreign exchange blockades. Although a small group, the intellectual influence of these younger economists is not be underestimated. In Parliament their line is represented by the radicals within the Labor Party rank, They are violently opposed to international agreements which allegedly limit Britain's freedom of action—her freedom to regulate and manipulate the exchanges.

In a milder fashion the same opposition to Bretton Woods is fairly widespread among conservatives, too, with the difference that the autarchy ideal of the latter has an imperialistic tinge. They dream of an imperial economic unity, overlooking that such vital parts as Canada and South Africa are bound to be gold-standard-minded or more American than British oriented. Their nationalistic sentiment is opposed to anything that smacks of American leadership or "preponderance" which is read by many Englishmen into the Bretton Woods project's emphasis on gold, and gold is not popular with a nation that must get along without it.

In spite of criticism from right and left, official Britain and her following adhere to Bretton Woods *in toto.* They do so under the spiritual leadership of Lord Keynes, but in a more or less apologetic fashion, and without clearly stating the fundamental idea: that the only way to provide Britain with American capital and at the same time to maintain a fair amount of freedom in her monetary and economic policy—that is, the freedom to regulate capital movements, keep interest rates low, wages high and the budget unbalanced—is by accepting what Washington calls International Monetary Cooperation. That involves, they claim, "sacrifice" on the part of Britain by foregoing the full freedom to manipulate exchange rates, but the price should be more than worthwhile. Even among officials in London one meets occasionally a slight cynicism to the effect: "let the Americans have their gadgets, provided the world gets what it needs." But, on the whole, the British supporters of the project seem convinced that it is the one road to reopen the portals of international prosperity available at present.

III.

It is in the light of the foregoing that we have to look at the Bretton Woods agreements. The argument against it that it would be preferable to open up the free channels of credit rather than to base international finance on an artificial apparatus misses the point—that the normal mechanism of credit-flow does not operate under exchange control, which can be abandoned by the debtors under present circumstances only at the risk of a financial earthquake. But this is exactly what the British want to avoid by all means: the "earthquake," for which their public opinion is certainly not prepared. In other words, the alternative is, **for the time being,** not between free flow of capital or an international agreement, but between the latter or monetary warfare methods on the German and Russian pattern.

The crucial question, then, is: does the Bretton Woods program fulfill its main objective, namely, to provide the framework which will permit the free flow of capital during the transitory period of two to four years as well as over the longer run? Will it supply merely a political and temporary substitute for genuine capital movements or will it help to create the conditions under which the latter can start and develop?

It is apparent that the primary purpose of the International Bank as well as of the Fund is to provide substitutes for credits which would not be available otherwise. However, they will have available between them little more than $6,000,000,000 in U. S. money, an amount that would be barely sufficient to cover the deficit on international accounts of Britain alone for more than a few years. As a matter of fact, our Administration intends to commit this country, if it has not committed it already, to substantially larger additional amounts of post-war lend-lease for England, France, Russia and others. As a substitute for normal credit facilities, the Bretton Woods project is deficient in size, if not superfluous altogether. What is the use of putting up complicated institutions for a need which has to be satisfied mainly by lend-lease or similar interstate operations? The function of the International Bank, in particular, to guarantee long-term loans for individual reconstruction ventures could be just as well provided on each occasion by arrangements be-

(Continued on page 1847)

THIS IS NOT AN OFFERING CIRCULAR. THE OFFER OF THESE BONDS IS MADE ONLY BY MEANS OF THE OFFERING CIRCULAR, WHICH SHOULD BE READ PRIOR TO ANY PURCHASE OF THESE BONDS.

NEW ISSUE

$60,000,000

THE VIRGINIAN RAILWAY COMPANY

FIRST LIEN AND REFUNDING MORTGAGE BONDS
SERIES B, 3%

DATED MAY 1, 1945 DUE MAY 1, 1995

THE ISSUANCE AND SALE OF THESE BONDS ARE SUBJECT TO AUTHORIZATION BY THE INTERSTATE COMMERCE COMMISSION.

IN THE OPINION OF COUNSEL, THESE BONDS WILL BE LEGAL INVESTMENTS FOR SAVINGS BANKS IN CONNECTICUT, MAINE, MASSACHUSETTS, NEW HAMPSHIRE, NEW JERSEY, NEW YORK, PENNSYLVANIA, VERMONT AND WISCONSIN.

PRICE 106.71% AND ACCRUED INTEREST

COPIES OF THE OFFERING CIRCULAR ARE OBTAINABLE FROM ONLY SUCH OF THE UNDERSIGNED AS MAY LEGALLY OFFER THESE BONDS IN COMPLIANCE WITH THE SECURITIES LAWS OF THE RESPECTIVE STATES.

MELLON SECURITIES CORPORATION
HALSEY, STUART & CO. INC.
BEAR, STEARNS & CO.
HEMPHILL, NOYES & CO.
LADENBURG, THALMANN & CO.
W. C. LANGLEY & CO.
OTIS & CO. (INCORPORATED)
PHELPS, FENN & CO.
L. F. ROTHSCHILD & CO.
SALOMON BROS. & HUTZLER
HALLGARTEN & CO.
R. W. PRESSPRICH & CO.
CENTRAL REPUBLIC COMPANY (INCORPORATED)
PAINE, WEBBER, JACKSON & CURTIS
SHIELDS & COMPANY
BURR & COMPANY, INC.
GREGORY & SON INCORPORATED
LAURENCE M. MARKS & CO.
PUTNAM & CO.
STROUD & COMPANY INCORPORATED

APRIL 25, 1945.

U. S. Truck Lines, Inc.
Standard Stoker Co.
Steep Rock Iron Mines Ltd.
Memorandums on Request
OTIS & CO.
(Incorporated)
ESTABLISHED 1899
Terminal Tower . Cleveland 13, O.
Phone Bell Teletype
CHERRY 0260 CV 496-497

Gruen Watch, Com.
Sport Products
Whitaker Paper
Land Trust Certificates
Philip Carey Com. & Pfd.
Gibson Hotel L. T. C.
Income Bonds, Pfd. & Com.
W. D. Gradison & Co.
Members New York and Cincinnati Stock Exchanges—N. Y. Curb Assoc.
Dixie Terminal Building
CINCINNATI 2
Tel. Main 4884 Tele. CI 68 & 274

Wellman Engineering Company
Circular on Request
WM. J. MERICKA & CO.
INCORPORATED
Union Commerce Building
CLEVELAND 14
Members Cleveland Stock Exchange
Teletype CV 594
29 BROADWAY NEW YORK 6

OHIO SECURITIES
FIELD, RICHARDS & CO.
Union Com. Bldg. Union Cent. Bldg.
CLEVELAND CINCINNATI
Tele. CV 174 Tele. CI 150

CINCINNATI SECURITIES
—★—
W. E. FOX & CO.
Inc.
Members
Cincinnati Stock Exchange
18 E. 4th St. MA 1627
Cincinnati CI 494

J. Harold Marache Is With Battles in N. Y.

Battles & Company, Inc. announces that J. Harold Marache is associated with them in their New York office, 90 Broad Street. Mr. Marache in the past was with Albert H. Weck Co., Garvin Bantel & Co., and was a partner in Marache Brothers in New York.

New Partnership

CINCINNATI, OHIO—A new partnership of Ellis and Company, Dixie Terminal Building, has been formed. Partners are James M. Levy, David W. Ellis, Jr., and Adele L. Ellis.

Ohio Brevities

Stockholders of Thompson Products, Inc., will vote at a special meeting May 7 on the company's proposed issuance of 60,000 shares of 4% cumulative preferred stock, par value $100 a share. Company said the new stock would be priced between $104 and $107 a share with the dividend rate not to exceed 4%.

It is planned to offer 45,000 of the shares, on a share-for-share basis to the holders of the company's present 5% preferred stock. A cash adjustment, if necessary, will be made if the price of the new stock is below the redemption price of the 5% issue.

The balance of 15,000 shares, and any not taken in the exchange, will be purchased by an underwriting group headed by McDonald & Co. of Cleveland and Smith, Barney & Co. of New York, for public distribution.

The purpose of the new issue, the company stated, is to effect retirement of the 45,000 outstanding 5% preferred shares; to retire the balance of outstanding notes of $900,000, and for general working capital.

* * *

Seven Cleveland firms participated in the public offering of 150,000 shares of May Department Stores Co. $3.75 cumulative preferred stock, no par, priced at 103½ per share and dividends. One of the houses reported a heavy oversubscription, getting five times as many orders as it had stock. The company plans an extensive expansion program and modernization of existing properties. Goldman, Sachs & Co. headed the underwriters.

The Cleveland houses and their allotments included: Hayden, Miller & Co. and McDonald & Co., 1,500 shares each; Curtiss, House & Co., Hawley, Shepard & Co., Hall, Burge & Kraus, Maynard H. Murch & Co. and Merrill-Turben & Co., 1,000 shares each.

* * *

Merrill-Turben & Co. now controls Western Reserve Investing Corp. following its purchase of the majority of each of the corporation's three classes of outstanding securities.

Merrill-Turben acquired from stockholders 4,000 shares of prior preferred stock at $130 a share, or $23 a share above the highest price ever paid for the stock on the Cleveland Stock Exchange; 11,000 unit certificates at $29 a unit, and 19,000 shares of common at 50 cents a share. The corporation had been controlled by the partners of Hayden, Miller & Co.

Members of the new stock-owning group are C. B. Merrill, C. F. Turben, R. M. Coe, C. F. Kling and L. C. Williams, who is Vice-President. Turben is Secretary and Treasurer.

* * *

On May 17, 25,000 shares of 4¼% cumulative preferred stock of Standard Oil Co. of Ohio, will be redeemed at $105 per share and accrued dividends, President W. T. Holliday has announced. He said shares will be selected by lot and redemption will be made through the Chase National Bank.

At a meeting on April 2, company shareholders voted to split common shares on a 2½-for-1 basis, increasing the number of common shares from 1,300,000 to 3,250,000 and changing the par value from $25 to $10 per share.

The company said holders of certificates drawn for redemption of the preferred stock have the option of converting their shares into common at the rate of 5.825 shares of the new common for each preferred share. The new common, now being traded on the Cleveland board, is expected to be put on a regular annual dividend basis of $1 a share.

* * *

Otis & Co. was a member of three successful competitive bidding accounts in one day last week.

The Halsey Stuart-Otis bid was high for $5,500,000 first consolidated mortgage bonds series H, due 1953, of Erie Railroad, the winning bid being 99.33 for 2s. They were reoffered at par.

The same group was top bidder for $2,640,000 equipment trust certificates of Seaboard Air Line Railway on a bid of 99.759 for 2s, due 1945-1960. Reoffering prices were 0.80% to 2.25%. First Cleveland Corp. also was a member of this account.

In the third instance, Otis & Co. was a member of the Glore Forgan & Co. group which was the successful bidder for $9,650,000 City of Los Angeles Electric plant water and power department revenue bonds. The bid was for a 0.935% interest cost for various coupons. Bonds, due 1946-1959, were reoffered to yield from 0.20% to 1%.

* * *

Field, Richards & Co., Wm. J. Mericka & Co., Otis & Co. and First Cleveland Corp. were the Cleveland houses which participated in the public offering of $50,000,000 first mortgage 2¾% bonds of New York Power & Light Co., due 1975. Halsey Stuart & Co. were successful bidders.

* * *

McDonald & Co. and Field, Richards & Co. headed an underwriting group that offered 40,000 common shares of Harshaw Chemical Co. at $24 per share. The company, with plants in Cleveland, Philadelphia, Elyria, O., and El Sagundo, Cal., said proceeds would be added to funds available for general corporate purposes.

Others in the account were Curtiss, House & Co., Fahey, Clark & Co., First Cleveland Corp., Ball, Burge & Kraus, Merrill-Turben & Co., Hayden, Miller & Co. and Otis & Co., all of Cleveland; The Ohio Co. of Columbus; Eastman, Dillon & Co. and Shields & Co., New York; Paul H. Davis & Co. of Chicago, and G. H. Walker & Co. of St. Louis.

This boosts the number of common shares outstanding to 177,652 out of 250,000 shares authorized.

* * *

General Tire & Rubber Co. common stockholders took 62,887 shares of a total of 65,857 new common stock offered them at the rate of one new share for each eight held. Price was $21.50 a share.

The underwriters, Ball, Burge & Kraus, Kidder, Peabody & Co., and Goldman, Sachs & Co., purchased the unsubscribed portion of 2,970 shares.

The same group sold publicly 3,123 shares of the company's 4¼% cumulative preferred stock, the unsubscribed amount of 65,000 shares issued under a recent exchange offer to holders of 4½% preferred shares.

* * *

William T. Robbins, formerly of the firm of Robbins, Gunn & Co., has been appointed manager of the trading department of Ball, Burge & Kraus.

* * *

Lorain Telephone Co. has asked the Ohio Public Utilities Commission for authority to offer 14,853 shares of no par common stock at $16.50 per share. The company would reimburse its treasury for $245,000 in uncapitalized, capital expenditures between May 1, 1941, and last Dec. 31.

* * *

A total of $10,500,000 first mortgage sinking fund 3¼% bonds of Youngstown Sheet & Tube Co. has been called for redemption, by lot, on May 1. Redemption was in anticipation of sinking fund installments due on each Nov. 1, beginning with 1948 and extending through 1954.

Ohio Municipal Comment

By J. AUSTIN WHITE

Conversations with "country" bankers around Ohio last week centered principally on the following topics of discussion—in about the following order:

1. Banks are making money "hand over fist." The banker who isn't actually pleasantly surprised at the profit he is showing, is truly the exception. Large banks, small banks, county-seat banks, cross-roads banks, industrial banks, farmers banks—all are generally making more profits than they ever made before. **These large and growing, profits are the results, of course, of the income from vastly increased investments. Some banks are augmenting this investment income with profits from the sale of securities, but the interest alone from investments is producing sufficiently large profits to amaze most bankers.**

J. Austin White

2. Taxes are worrying most bankers. Quite naturally, high incomes mean high taxes. But as most bankers, around Ohio at least, are pleasantly surprised at their mounting profits, they are even more unpleasantly surprised at their mounting taxes. Those who have not considered this unsavory concomitant of high profits are destined for no little shock when the tax bills are paid. Several profitable banks with between five and fifteen million deposits are unpleasantly surprised at finding thmselves in a 53% tax bracket. Some such bankers even seem unwilling to believe that merely the combined normal tax and surtax amounts to 53% of taxable income between $25,000 and $50,000.

Yet, bankers seem anxious to discuss their tax problems, for indeed taxes have become important problems. Several banks with deposits of even less than $15,000,000 are coping with the difficult problem of avoiding excess profits taxes. In order to avoid paying such a tax, some banks of even modest size have already found it necessary to use their credit for two previous years. Practically all bankers expect the tax problem to be more difficult this year than last, and even more so next year than this year.

3. There is a strong demand for municipal bonds, and an even stronger reluctance, almost a refusal in fact, to sell municipals. With taxes mounting generally, and with actual tax rates also rising for many banks as their taxable incomes rise into certain ranges, the need for tax exempt income from municipal bonds is becoming obvious to more and more bankers.

A bank with taxable income ranging between $25,000 and $50,000 is in a 53% tax bracket and to such a bank a yield of 1.00% on a municipal bond is the equivalent of a yield of 2.13% on a fully taxable bond.

It is more than interesting to realize that the highest yield available before taxes on any Government bond that banks can buy in the present market is only 2.29%, and that is figured to an option date of 1967 on a bond with a maturity of 1972. To a bank in this 53% bracket, a yield of 1.50% on a municipal bond is the equivalent of a yield of 3.19% on a fully taxable investment—and where can such a return be found on a high grade bond? Obviously, with profits rising and taxes rising in rate as well as in amount, there is a broad general demand for municipals based upon an expanding general need for them.

But, finally, this need becomes acute for those banks that are struggling to keep out of the excess profits bracket—and it was surprising last week, to notice how many are faced with that problem.

4. Practically everybody gave vent to a feeling of optimism for the future of the country. Practically everybody was imbued with a confidence, that has not been noticeable before, and that is based upon a feeling that now the legislative, the judicial and the executive branches of the Government will have an opportunity to function as coordinating branches, each with its own respective importance and duties, with the result that the people generally will have a greater voice in determining the policies of the Government. There was a feeling that even bankers would again be considered citizens, with a right to have something to say about what is done by their Government—maybe even about what the Government does to their own business.

5. Several banks in farming areas reported some increase in local demand for loans during the past month or two.

However, practically nowhere is there any expectation that loans will soon assume the importance they once had to the income of the banks..

In fact, in too many banks, the loan account has dwindled to an almost insignificant proportion of total assets. In days gone by, bond salesmen had to idle away many an hour waiting to see the bank cashier or president while some local customer of the bank was negotiating a loan. By 1941, the bond salesman usually found he was competing not with a local borrower for the banker's time and money, but rather with another bond man.

Now, however, with so many bond men in the armed forces, and with the local customer a creditor of the bank rather than a debtor, the banker welcomes the occasional bond man who does show up as a long lost friend who will give him some ideas about how to use his surplus cash or how to lessen the tax impact thereon.

Ohio Municipal Price Index

Date—	*	†	‡	§
Apr. 18, 1945	1.19%	1.34%	1.03%	.31%
Apr. 11	1.19	1.34	1.03	.31
Apr. 4	1.21	1.37	1.05	.32
Mar. 14	1.27	1.43	1.11	.32
Feb. 14	1.30	1.47	1.14	.33
Jan. 17	1.33	1.49	1.17	.32
Dec. 13, 1944	1.34	1.51	1.18	.33
Nov 15	1.36	1.53	1.19	.34
Oct. 18	1.35	1.53	1.18	.35
Sep. 13	1.32	1.50	1.14	.36
Aug. 16	1.31	1.49	1.13	.36
July 12	1.31	1.48	1.15	.33
June 14	1.31	1.46	1.16	.30
May 17	1.31	1.46	1.16	.30
April 12	1.32	1.46	1.17	.29
Mar. 15	1.34	1.50	1.19	.31
Jan. 19	1.40	1.57	1.23	.34
Jan. 1, 1943	1.83	2.01	1.65	.36
Jan. 1, 1942	1.92	2.13	1.70	.43
Jan. 1, 1941	1.88	2.14	1.62	.52
Jan. 1, 1940	2.30	2.58	2.01	.57
Jan. 1, 1939	2.78	3.33	2.24	1.09
Jan. 1, 1938	2.98	3.42	2.55	.87

*Composite index for 20 bonds. †10 lower grade bonds. ‡10 higher grade bonds. §Spread between high grade and lower grade bonds.

Foregoing data compiled by J. A. White & Co., Cincinnati.

Post-War International Credit And the Bretton Woods Proposals

(Continued from page 1845)

tween the creditor and the debtor countries, with no need for a clumsy bureaucratic apparatus—for a permanent machinery to produce intermittent "Dawes loans," every one of which the Bank's statutes submit anyway to a complex procedure.

But the statutes of the Bretton Woods Bank have little or no reference to monetary policy, unless by indirection, while those of the Fund abound with such references. They are most emphatic in laying it before the members' doorsteps that it is their obligation to maintain the stability of their currency, to eliminate old exchange restrictions and to avoid the introduction of new ones. The repeated warnings in this direction, accompanied by open or implied threats of sanctions—ineffective as they may be—leave no doubt about the underlying good intention: to bring about a semi-rigid stability, an approximation to the pre-1914 international gold standard. Morally, the members' obligation to refrain from the arbitrary use of monetary warfare methods is beyond doubt. But, in effect, the loopholes in the statutes are so large as to annul the moral obligation.

In practice the construction of the Fund permits the unlimited operation of monetary policies which interfere with the freedom of capital movements. For an undefined transitional period, to begin with, "members may . . . maintain and . . . introduce where necessary restrictions on payments and transfers for current international transactions" (Art. XIV, Section 2). For the initial period, exchange stability is eliminated at once. And even beyond that period "members may exercise such controls as are necessary to regulate international capital movements" (Art. VI, Section 3). Accordingly, members have to repurchase their own currency or balances held abroad only if "they have been recently acquired as a result of current transactions; or their conversion is needed for making payments on current transactions" (Art. VIII, Section 4a). In other words, the obligation to pay for one's debts does not apply either to what is termed capital transactions, or (*ibid.*, Section 4b) to debts which have accumulated previous to the removal of exchange restrictions, nor (Art. XIV, Section 1) to an "international indebtedness arising out of the war." Moreover, all restraints on exchange regulations will be wiped out at once and automatically, if the critical currency to pay with has been declared "scarce" (Art. VII, Sections 1 and 3b), *i.e.*, after the debtor members have exhausted their quotas, and cannot borrow from the Fund any longer. This amounts to sanctioning in advance the debtors' default, without any pressure exerted on them to put their houses in order and to refrain from manipulations deadly to a self-regulating system of international finance.

IV.

Briefly, all that the Bretton Woods agreement supplies is an initial sum by the creditor and a conditional promise by the debtor, with no provision for the effective use of the one or the enforcement of the other. As a matter of fact, it is built on assumptions which are bound to produce the reverse of the objective its authors seem to expect.

First, the strict distinction throughout the Fund's statutes between current international obligations which should be paid and capital movements which might be frozen, is fallacious. The dividing line between the two is not sharply definable and the distinction opens up the possibility of misuse. What is more important, current transactions and capital transactions are often intimately interwoven; the one cannot function freely while the other is frozen. It is entirely fallacious to assume that international trade could develop to its potentialities without being supported by international investments, or that the latter could jump over the barbed wires of the exchange regulations which the statutes concede to every member.

Second, it is apparently assumed that the natural tendency of members is to live up to the moral obligation they underwrite by doing their utmost, without compulsion or pressure, to safeguard their own exchange stability. Article IV, Section 5(f) brings home this implied assumption by stating explicitly that the Fund shall not object to a proposed change in the par value of a currency "because of the domestic, social, or political policies of the member proposing the change." In plain English, the Fund has no right to criticize or interfere with the internal policies of a country, even though such policies are likely to be responsible for its exchange instability.

Third, it is assumed, implicitly, that after the dollar reserves of the Fund will be exhausted, only temporary disturbances will arise—that either American political credits (lend-lease) will be made available or else the U. S. will import so much from the debtors, without raising its own exports, as to correct the disequilibrium. The original Keynes (Clearing) plan stated this assumption with all clarity, and semi-official American comments indicate it, too. In other words, the idea is that if the plan should fail to reopen the channels of private capital flow (as it is bound to), it will be supported indefinitely at the expense of the American taxpayer and producer.

Lastly, the authors of the agreements apparently labor under a dangerous illusion. They seem to imagine that the machinery of international finance can be set into gear in an experimental fashion, without assurance of permanence in the monetary set-up. Long-term investments, and in distant countries at that, are hazardous enough even under conditions of full monetary stability. Without such security no reasonable interest rate is high enough to compensate the entrepreneur or capitalist for the risk involved. A plan operating on the assumption that long-term ventures can be based on a makeshift which may or may not have to be abandoned (according to its own statutes), is condemned to failure from the outset.

V.

To sum up: Bretton Woods starts out on a desirable principle, namely, to restore the essential of the gold standard—international exchange stability—and to do so by reopening the flow of capital from creditor to debtor countries. Unfortunately, it does so in a half-hearted fashion, compromising the objective of free capital movements by conceding the freedom of exchange restrictions. The **arguments** with the aid of which the Administration attempts to force the issue with Congress, misrepresent the case altogether.

It is being argued that the world is waiting anxiously for the Bretton Woods program to be enacted, and would be deeply disappointed even by a partial change in its text. The truth is that the vocal majority in England, *e.g.*, is opposed to it and hopes for its rejection by Congress, knowing that once we accept the plan it would be a diplomatic impossibility for Britain not to join. Russia was reluctant to participate at all, and left no doubt that she would prefer the old-fashioned gold standard. In France public opinion has not yet crystallized itself one way or the other, but there certainly is no enthusiasm for the project, the workability of which is doubted by the European experts, unless it will be supported by vast lend-lease and similar operations.

It is a gross error, too, that the Bretton Woods project is in any way interrelated with the Dumbarton Oaks program. True, the latter is understood in many countries as implying American financial help to the "peace-loving" peoples. But there is no sign, and there scarcely could be any, that the rejection or modification of Bretton Woods by Congress would be interpreted as unwillingness on our part to participate in post-war reconstruction and international cooperation.

That brings up the most significant misrepresentation in which official American propaganda for Bretton Woods has indulged. It is the argument that there is no other alternative to "chaos" but Bretton Woods. In reality, financial cooperation can take many forms widely different from the one proposed. For one thing, it does not have to be institutionalized and bureaucratized. It could proceed from one instance to another as they come up, or in the order of their urgency, with or without advance decision about the total amounts of American capital to be allotted, and certainly without fixing in advance the forms and conditions under which they should be mobilized.

It is difficult to believe that the Administration spokesmen should not be aware of this fact. The reason why they insist on Bretton Woods may be political rather than economic. They may fear that the opportunity to "railroad" through Congress any such international arrangement might slip out of their hands. On the side of the British Government, there could be a similar motive at play: that nothing short of some such international commitment with morally binding effects can keep the threatening wave of economic nationalism from carrying England in the direction of unsound autarchy policies.

Be that as it may, the course international cooperation should take has been indicated—unwittingly—by no less an authority than Winston Churchill himself. On Feb. 27, 1945, reporting to Parliament on the Crimean Conference, he told about his visit, together with Mr. Eden, to Athens. "My right honorable friend, the Foreign Secretary," he said, "remained a day longer in Athens than I did, and he was at pains to bring home to the Greek authorities the fact that, now that political stability has been achieved, **financial and economic problems must take first place, and that the burden and responsibility are upon the Greek nation** and that they must, on no account, sit back and leave these tasks to foreigners."

The implication that the smaller Ally should put his own house in order was obvious to the Prime Minister's listeners, who were aware of the sacrifices Britain had incurred to help Greece, and who applauded his forthright acceptance of sound financial principles. But what is sauce for the goose should be sauce for the gander. What is, as it always has been, sound policy for Britain when she is a creditor, should indicate the direction for a sound program of international cooperation under American leadership.

Business Man's Bookshelf

Airline Finance—Bankers Trust Company of New York, Mutual Life Insurance Co. of New York, Chase National Bank of New York, and the New York Trust Company—paper.

Conditions of International Monetary Equilibrium — Ragnar Nurkse—International Finance Section, Department of Economics and Social Institutions, Princeton University, Princeton, N. J. —paper.

Manpower Problems and Their Effect on War Production—Automotive Council Statement by George Romney to the Senate War Investigating Committee—Automotive Council for War Production, 320 New Center Building, Detroit 2, Mich.—paper.

Postwar Production of Steel in the Western States—three booklets compiled by the industrial department of the Los Angeles Chamber of Commerce.

Preferences and Discriminations in International Trade—Howard P. Whidden, Jr.—Committee on International Economic Policy, 405 West 117th Street, New York 27, N. Y.—paper—10c.

Problems of Reemployment and Retraining of Manpower During the Transition from War to Peace—a selected, annotated bibliography—Industrial Relations Section, Department of Economics and Social Institutions, Princeton University, Princeton, N. J.—paper—50 cents.

Protection of Industrial and Intellectual Property in China—Report by Sub-Committee on Industrial Property Law Committee of National Foreign Trade Council, Inc., 26 Beaver Street, New York 4, N. Y.—paper.

This advertisement is not, and is under no circumstances to be construed as, an offering of the following securities for sale or as a solicitation of an offer to buy any of such securities. The offering is made only by the Prospectus.

Oak Mfg. Co.

$1,000,000

Ten-Year 5% Sinking Fund Convertible Debentures

Dated April 1, 1945 Due April 1, 1955

Price 100% plus accrued interest

350,000

Common Shares

(Par Value $1.00 Per Share)

Price $10 per share

Copies of the Prospectus may be obtained from such of the undersigned only as are registered dealers in securities in this State.

Paul H. Davis & Co.

Ames, Emerich & Co., Inc. **Bear, Stearns & Co.**

A. C. Allyn and Company **Reynolds & Co.**
INCORPORATED

CANADIAN BONDS

GOVERNMENT
PROVINCIAL
MUNICIPAL
CORPORATION

CANADIAN STOCKS

A. E. AMES & CO.
INCORPORATED

TWO WALL STREET
NEW YORK 5, N. Y.

RECTOR 2-7231 NY-1-1045

CANADIAN STOCKS

Bought—Sold—Quoted

CHARLES KING & CO.
Members Toronto Stock Exchange
61 Broadway, New York 6, N. Y.
WHitehall 4-8980

Says Canada Will Seek To Remove Internat'l Trade Barriers

Analyzing the Canadian Government's post-war economic program, Bank of Montreal's monthly business summary made public on April 25 states that the general aim of the Government will be to build up the exporting capacity of other nations, so that Canada can ultimately receive payment in imported goods for her own sales abroad, and that it will press other nations for "zealous collaboration on broad lines for the reciprocal reduction and removal of trade barriers."

A goal of $1,750,000,000 representing 60% in dollar value above the average annual pre-war scale of exports, according to this analysis, has been set for the Dominion's export trade, recognized by the Government as "the greatest dynamic force influencing the level of national income and employment in Canada."

The bank states that restrictive taxation policies will be reversed, that the Government proposes not only to reduce taxation as rapidly as possible, but also to develop its fiscal policy on lines which will encourage the increase of private investment to a high and stable level. One special aim will be to minimize or eliminate taxation which contributes to increased production costs.

Herbert J. Sims Co. Formed in New York

Herbert J. Sims & Co., Inc., with offices at 52 Wall Street New York City, has been formed to continue the business of Churchill, Sims & Co. Inc. Officers are Herbert J. Sims, President and Treasurer; Murray L. Sims, Secretary, and S. E. Sims (who is now on war duty) Vice-President.

Dominion of Canada
All Issues

Bought — Sold — Quoted

Wood, Gundy & Co.
Incorporated
14 Wall Street, New York 5
Bell System Teletype NY 1-920

Canadian Securities

By BRUCE WILLIAMS

Can Canada support a population of 100 millions? The late Dr. Stephen Leacock always contended so, and it was often forgotten that this prophet of Canadian greatness was not only a renowned humorist but also an economist of international stature.

It is only in recent years that Canadians themselves have begun to appreciate the tremendous potentialities of the vast dominion. No longer is it believed that the only habitable section of the country is a narrow belt adjoining our northern border. Air transport has permitted penetration into hitherto inaccessible areas and the mineral wealth of the fabulous Pre-Cambrian Shield is now commencing to be uncovered. Moreover, the climate is beginning to be appreciated not as a deterrent to human activity but a stimulus. There is little doubt that history will record the fact that a great Canadian era was initiated with the full exploitation of the Laurentian Shield.

In the past, the great bulk of immigration into the Dominion was agricultural and, therefore, of little glamor. Now, the age-old lure of the precious metals and oil is added to the attraction of readily obtainable farming land in a country which although new is governed by old and stable laws. Some of the best and most diversified pioneer stock in the world has had a glimpse of this huge land of promise, and events are likely to prove that the British Commonwealth Air Training Scheme not only played a large part in the salvation of Britain but also helped to an important degree in the building of Canada.

Refugees from war-ravaged Europe have already installed themselves in the Dominion and have established flourishing new industries. They will be followed by relatives and friends, and others whose homes and associations in Europe will never be the same again, in seeking a new existence in a new country where hard work will erase bitter memories.

Although it can be foreseen that there will be thus a large measure of spontaneous immigration, nevertheless the Dominion must take positive action, if its possibly greatest problem—that of population deficiency—is to be solved.

There are, of course, many political cross-currents, and it is to be doubted whether a policy of the "open door" will be adopted in the near future. However, much can be done by a logical approach to the question. For example, the mining of coal in Britain is becoming increasingly expensive and after the last war thousands of miners were on the government dole. Canada has thousands of square miles of virgin coal deposits, much of it in the form of outcrops, but the inadequacy of the Canadian population precludes its exploitation.

For years after the war there will be a universal food shortage. Britain, Holland and the Scandinavian countries have the man-power but not the tremendous virgin agricultural acreage still available in Canada.

Thus it is seen that the Dominion's immigration policy is of international as well as national concern. Moreover, it cannot be questioned that the fullest possible development of Canada's immense natural resources will be of universal benefit.

Turning to the market for the past week, there were a few scattered offerings in connection with the Eighth Victory Loan, but although the tone was firm there was no marked increase in activity. Albertas were once more the exception and there was considerable turnover at new high levels. As constantly stated, Premier Manning's plan was the worst the bondholders could expect. With the strong constructive intervention of Finance Minister Ilsley, and the less adamant attitude of the spokesman for the Alberta Government, it will not be surprising if the plan ultimately adopted results in the full rehabilitation of the provincial credit.

Internal securities were active with golds again to the fore. Consolidated Smelters justified previous favorable comment and moved up to 64 on strong demand.

With regard to the possible future trend of the market, the present high confidence in low interest rates and the few doubts concerning the Federal election point towards the maintenance at least of the current peak levels.

Van Denburgh & Kerr

LOS ANGELES, CALIF.—The firm name of Van Denburgh & Bruce, Inc., has been changed to Van Denburgh & Kerr, Inc. The firm, which is a member of the Los Angeles Stock Exchange, maintains offices at 523 West Sixth Street.

TAYLOR, DEALE & COMPANY
64 WALL STREET, NEW YORK 5
WHitehall 3 - 1874

CANADIAN SECURITIES
Government · Provincial · Municipal · Corporate

Tomorrow's Markets Walter Whyte Says—

(Continued from page 1838)

those who look at them with a jaundiced eye can't see much more than a minor setback. But it is such minor setbacks that concern this column.

* * *

Just as every market which rallies has within it the seeds of a major upturn, so has every reaction within the makings of more than just a "technical correction." It is practically impossible to decide beforehand how the public will jump. It isn't too hard to see that the great majority of buyers will follow the path of least resistance. If prices are strong they are bullish. If they're weak, they're bearish. But that's not enough. We still have to appraise how far the public will go in either direction. For while basic influences will eventually take hold the cross currents witnessed in the interim can be not only confusing but disastrous to brokerage accounts.

* * *

In the last ten days or so there have been three "gap" openings. (A gap is when a stock opens higher than it closed the previous day.) Eventually such gaps are closed, though sometimes it takes a long time before it is accomplished. Yet they have to be closed some day. For just as in physics, nature abhors a vacuum, so does the market try to fill its vacuums. Experienced traders are aware of this influence. In the old days when commissions were an ⅛ of a point, traders would buy such gap stocks and stop them just under their previous night's closings. With commission today being what they are, this kind of trading is no longer practical. But its barometric influence is still present. As gaps increase all over the list the possibilities of a setback become that much greater, hence the stops.

* * *

Applying this to your own holdings it means that the green light no longer applies. It hasn't turned to red yet, but it is certainly yellow and that means proceed with caution.

* * *

Hudson Motors which you bought at 18 is now about 29. Last week's stop was 21. This no longer applies. Raise it to 26.

* * *

Jones and Laughlin is about 32. You bought it at 29. Keep stop at 29.

* * *

Phelps Dodge, currently about 29, came in at 27. Keep stop at 27½.

* * *

U. S. Rubber was acquired at 56. It is now about 60. Last week's stop of 57 still holds good.

U. S. Steel, bought at 59, is now about 67. On a strict day to day trading basis the stop should be about 3 points under current price. But Steel seldom conforms to general market behavior. So it is suggested that stop of 63 be used.

* * *

More next Thursday.

—Walter Whyte

[*The views expressed in this article do not necessarily at any time coincide with those of the Chronicle. They are presented as those of the author only.*]

$100,000

Province of
British Columbia

5% Bonds
Due July 12, 1949

Payable in United States or Canadian currency

Price 112.00 to yield 2.00%

Direct Private Wires to Buffalo, Toronto and Montreal

DOMINION SECURITIES CORPORATION
40 Exchange Place, New York 5, N.Y.
Bell System Teletype NY 1-702-3

Arthur Cable Dead

Arthur G. Cable, partner in Shearson, Hammill & Co., died on April 12. Mr. Cable made his headquarters at the firm's Chicago office, 208 South La Salle Street.

LAMBORN & CO.
99 WALL STREET
NEW YORK 5, N. Y.

SUGAR
Exports—Imports—Futures

DIgby 4-2727

Established 1856
H. Hentz & Co.
Members
New York Stock Exchange
New York Curb Exchange
New York Cotton Exchange
Commodity Exchange, Inc.
Chicago Board of Trade
New Orleans Cotton Exchange
And other Exchanges

N. Y. Cotton Exchange Bldg.
NEW YORK 4, N. Y.

CHICAGO DETROIT PITTSBURGH
GENEVA, SWITZERLAND

Municipal News & Notes

Co-incident with announcement of the signing by Governor Thomas E. Dewey of a bill authorizing Long Beach, N. Y., to refund $5,443,000 of outstanding bonds, City Auditor John J. McCabe made public various data reflecting the sharp improvement that has occurred in the municipal financial structure in the past four years.

During this period, it is noted, the city "has paid off its entire floating debt, $408,000 in judgment bonds, and other debts aggregating almost $1,000,000."

Aside from the debt extinguishment, the city's tax collections are now almost 100% effective, according to Mr. McCabe, and property on which the city held tax liens has been transferred to the tax rolls to the extent of an assessed valuation of $1,907,150. Real estate sales are described as the best in the city's history and non-speculative. This latter fact is emphasized in the result of a survey of recent real estate purchases which indicated that almost all of the buyers intend to build homes as permanent residences as soon as materials and manpower become available.

Both the projected debt refunding and the fiscal policies followed during the past four years under the guidance of Mayor Theodore Ornstein, Long Beach taxpayers may anticipate tax reductions up to $1,500,000 in the next 15 years, according to the City Auditor.

The recently signed debt refunding bill was drafted by State Comptroller Frank C. Moore and provides for the refinancing of the following described existing debt: 4¾% General Refunding Bonds, dated Dec. 1, 1933; 5½% General Refunding Bonds, dated Dec. 1, 1933; 5¼% Water Refunding Bonds, dated Dec. 1, 1933; 5½% General Refunding Bonds, dated Jan. 1, 1936; 6% General Refunding Bonds, dated Jan. 1, 1938; General Refunding Bonds, dated Jan. 1, 1938, stamped as 4% as of Dec. 1, 1940; 4% General Refunding Bonds, Series A, dated Dec. 1, 1940; 6% Water Refunding Bonds, 1938; Water Refunding Bonds, dated Jan. 1, 1938, stamped as 4% as of Dec. 1, 1940; 4% Water Refunding Bonds, dated Dec. 1, 1940, and General Refunding Bonds, Series B, dated Dec. 1, 1940.

City officials are confident that the proposed new refunding issue can be sold at an interest rate of between 2% and 3%.

Recent Sales Point Up Low Assessed Values of Atlantic City Property

An indication of the improving real estate situation noted in Atlantic City, New Jersey, is the sale reported in the Atlantic City Press last week of two pieces of hotel property, the Chelsea and the Cosmopolitan.

The Chelsea, a 12-story, 420-room hotel, was reported sold for $1,000,000 in a straight cash deal to one of the senior officers as well as one of the largest stockholders of the General Motors Corp. in Detroit. The property has a 250-foot frontage on the Boardwalk between Morris and Brighton Avenues and is assessed by the city for tax purposes at only $531,950.

The Cosmopolitan, a 44 room hotel recently occupied by the Navy, was sold for a price reported at approximately $115,000. Situated on Atlantic at Trenton Avenue, this property is assessed by the City for tax purposes at only $38,450 or one-third of the amount of the sale.

The sale of the Chelsea was one of the largest cash transactions in the resort city's realty history.

St. Louis County, Mo., Toll Bridge Creditors Receive Progress Report

Holders of the $2,600,000 St. Louis County, Mo., 3¾% toll bridge revenue bonds, dated Oct. 1, 1940, were advised recently in a letter distributed by members of the County Court that although the bridge has been in continuous operation since Dec. 11, 1944, sufficient revenues have not as yet been realized to permit resumption of bond interest.

No payments of interest have been made since Oct. 1, 1943, the default being attributed to the fact that construction of the span was "delayed by unavoidable circumstances occasioned primarily by wartime restrictions."

The recent letter addressed to creditors contained a statement of operating revenues from Dec. 11, 1944, when the bridge was opened to traffic, to March 11, 1945, inclusive. The statement is reproduced here:

Wire Bids on
VIRGINIA—WEST VIRGINIA
NORTH and SOUTH
CAROLINA
MUNICIPAL BONDS
F. W.
CRAIGIE & CO.
RICHMOND, VIRGINIA
Bell System Teletype: RH 83 & 84
Telephone 3-9137

Period—	Gross Receipts	Approx. Daily Av.
Dec. 11 to Dec. 31, 1944	$2,517,90	$125.00
January	4,312.38	140.00
February	4,454.55	160.00
March 1 to March 11	2,604.85	236.80

The communication observes that daily average receipts of between $315 and $320 are necessary in order to provide for payment of operating expenses and interest on the bond issue.

Every effort is being made to develop traffic on the bridge, also to hold operating expenses to a minimum in order to conserve as much of gross earnings as possible for payment of debt service. The County Court acknowledges with appreciation the cooperation it has received from bondholders and will advise them as soon as funds are available for payment of interest charges.

The $2,600,000 3¾% bond issue was offered to the public on Oct. 31, 1940, at a price of 101 and accrued interest. The bonds are dated Oct. 1, 1940, and mature Oct. 1, 1965. Proceeds of the issue were used by the county to construct a bridge adjacent to Jefferson Barracks, Mo.

Callable Electric Bonds of Memphis, Tenn., to Be Redeemed on June 1

Major Thomas H. Allen, President of the Memphis, Tenn., Light, Gas and Water Commission, disclosed at a meeting of the Commission on April 16 that all of the outstanding $4,770,000 of electric utility callable debt will be redeemed on June 1. This will complete redemption of all the optional obligations outstanding against the three utilities. The electric properties were acquired by the city in 1939.

In order to permit the impending debt redemption, the Commissioners approved the borowing of $2,500,000 each from reserve funds of the gas and water divisions, with the balance of $900,000 to consist of cash on hand in the electric department.

Interest free from present Federal Income Taxes
NEW YORK CITY
$50,000 — 3s due June 1, 1980
Price 121 to yield about 2.14%
$100,000 — 4¼s due 1976-81
Price to yield 2.30%
Inquiries invited in all New York City issues.
TRIPP & CO. INC.
40 Wall Street, New York Telephone WHitehall 3-6742

The electric debt scheduled to be extinguished includes all of the existing callable 2.10% bonds having maturities from 1950 to 1961. After this operation the remaining debt against the electric system will consist of $4,828,000 in regular maturities. In addition, there will be a debt of $3,375,000 against the water division bearing due dates of 1966 and 1971, respectively.

Thus there will be an aggregate debt of no more than $8,202,000 against the three utility properties, the combined value of which is estimated in excess of $40,000,000.

Municipal Electric Utilities Make "In Lieu" of Taxes Payments

Municipally owned electric utilities contribute from one-sixth to one-fourth of their gross revenue to city operating funds in lieu of taxes, a report to the International City Managers Association shows.

The amount of the gross revenue transferred to the general city government ranges from 1% in Seattle and Tacoma to 45.5% in Jacksonville, Fla.

Contributions average a little more than 29% of the gross revenue of the utilities in 81 Council-Manager cities. Contributions were more than 50% of the gross revenue in eight cities—Bedford, Va.; Belleville, Kan.; Brownsville, Texas; Cushing, Okla.; Ellwood City, Pa.; Front Royal, Va.; Gastonia, N. C., and Tallahassee, Fla.

A study of the 128 municipally-owned electric utilities in Kansas shows that 118 cities contribute an average of 26.2% of their gross revenues to city operating funds.

A survey of the amounts contributed in 22 cities over 50,000 population having city-owned electric utilities shows that in one-half of the cities no contributions of any kind is made to city operating funds. The utilities in the other 11 cities contribute an average of slightly less than 17% of their gross revenue to the city.

The report compares the information about municipally-owned electric utilities with information available on taxes paid by privately-owned utilities.

The President of the Edison Electric Institute recently estimated that 24% of the gross revenues of privately-owned electric utilities is paid out in taxes. This estimate agrees substantially with a detailed analysis of 245 privately-owned utilities made in 1943, showing they paid in taxes an average of 22.6% of their gross revenues.

Nelson Named Auto Aid

J. A. Krug, chairman of the War Production Board, named H. D. Nelson as aid to the reconversion of the automobile industry. Mr. Nelson has been head of the aircraft division of the WPB, and will retain this job.

Associated Press advices from Detroit announced:

Mr. Krug went to Detroit on April 5 to consult with automotive men on the industry's reconversion problems and following an all-afternoon session said: "We did not talk about automobile production at all. No new cars will be approved until the collapse of Germany and maybe for some time after that."

The WPB chairman said some time was spent in consideration of the various preliminaries, such as machine tool equipment, plant rearrangement and other technical questions that must be disposed of before automobile production can be resumed.

This advertisement is neither an offer to sell nor a solicitation of offers to buy any of these securities. The offering is made only by the Prospectus.

New Issue

225,000 Shares
Hytron Radio & Electronics Corp.
Common Stock
Par Value $1.00 per Share

Price $5 per Share

Copies of the Prospectus may be obtained within any State from the undersigned only by persons to whom the undersigned may regularly distribute the Prospectus in such State.

Herrick, Waddell & Co., Inc.
Mann & Gould
Amott, Baker & Co. Incorporated
Brailsford & Co.
Brush, Slocumb & Co.
Nelson Douglass & Co.
Enyart, Van Camp & Co., Inc.
Link, Gorman & Co. Incorporated
R. H. Johnson & Co.
Maxwell, Marshall & Co.
Sutro & Co.
The State Investment Co.
Clayton Securities Corp.
Sills, Minton & Company Incorporated
A. L. Stamm & Co.
Stirling, Morris & Bousman
Newburger & Hano
Irving J. Rice & Company
Hall, Tattersall & Co.
H. L. Emerson & Co. Incorporated
J. H. Goddard & Co.
Prescott & Co.
Clair S. Hall & Company
McDonald & Company

April 24, 1945.

All of these shares having been sold, this advertisement appears as a matter of record only, and is neither an offer to sell nor a solicitation of an offer to buy any of these shares.

NEW ISSUE

107,010 Shares
Food Machinery Corporation
Common Stock
(Par Value $10 per Share)

Subscription Warrants for these shares were issued to the holders of the Common Stock of the Company and upon the exercise of such Subscription Warrants 104,941 shares were issued. The remaining unsubscribed shares have been sold by the undersigned.

Copies of the Prospectus may be obtained within any State from the undersigned only by persons to whom the undersigned may regularly distribute the Prospectus in such State.

Kidder, Peabody & Co.
Mitchum, Tully & Co.

April 24, 1945.

Motives At Bretton Woods Hearings

(Continued from page 1827)

Senator Aiken: I have just one other question. The Secretary, of course, is more aware than anyone else of a wide-spread campaign in this country to defeat the Bretton Woods Agreement, and of the fact that this campaign seems to be vigorously sponsored by certain New York banking houses which are known as international banking houses. Now, I wonder if the Secretary would be willing to tell us what in his opinion is the reason that the stabilization fund is being so vigorously opposed by these very large banking houses, whether their profits would be adversely affected by setting up the stabilization fund, as they are trying to influence certain parts of the Government, and whether their policies would be affected.

Secretary Morgenthau: I can't explain their psychology, but I can give you an account of the record, and the very same people who are now opposing—they say the Bank is all right, but they don't like the Fund—they have this record. They appeared before Congress and opposed Postal Savings. They appeared before Congress and vigorously opposed the Federal Reserve System. They appeared before Congress and they vigorously opposed the formation of the Securities and Exchange Commission. They appeared before Congress and vigorously opposed the Federal Deposit Insurance. They opposed not so vigorously, but criticized the creation of the American Stabilization Fund and now, as you put it, vigorously oppose the Bretton Woods proposal on the assumption that we could get along with one institution. Now, that is their record, and I think their record speaks much louder as to their attitude than any possible criticism that I might make of them.

Senator Aiken: Do you know of any reason why the earnings of a reputable, honest banking house should be adversely affected by the adoption of the Bretton Woods Agreement?

Secretary Morgenthau: Quite the contrary. I think their earnings would go up, and right now the earnings of the National Banks are higher than they have been any time since 1929, and that was under ex-President Roosevelt's marvelous leadership, and during that period from bankruptcy to the period now, the closing of the end of this last year, the national banks of this country last year earned more money than they have at any time since 1929, and I really believe that if Bretton Woods is passed — that these institutions, other things being considered, will still continue to make plenty of money. So, I can't give you the reason other than I think that their record speaks much louder than any interpretation that I can give.

An Exporter Testifies

Mr. Carl M. Wynne, speaking for the Chicago Export Managers Club, in a vigorous and complete endorsement of the Treasury position on BW also agreed with the Treasury views on the motives of bankers who oppose BW. In the course of his testimony Mr. Wynne said that BW will be of direct advantage to American exporters. He testified that he had been in close contact with the Treasury on currency stabilization well before the Treasury had sought the views of the bankers, and elicited from certain members of the committee spirited defense of the bankers, as well as some views of Congressman Wolcott not previously expressed by the Michigan representative and member of the United States delegation at the BW conference. Although Mr. Wynne is himself not well known in financial circles, for the reason mentioned his testimony is of interest here.

Mr. Wynne stated that, because his foreign customers could not obtain dollars to pay for their orders, he had studied the exchange problem. As for BW, he said: "I claim to know quite a good deal about it." He was for BW "wholeheartedly . . . completely . . . as is." But he wanted "three or four minutes" to talk about the opposition and their motives. On this topic he read to the committee a columnist's article, which Mr. Wynne endorsed "rather completely," and which said that the opponents of the BW Fund are "political isolationists . . . and a small group of powerful bankers in New York." These, Mr. Wynne added, "about 10 or 12 of the big New York banks who deal heavily in foreign exchange and who control the foreign exchange market in this country." They have a right to be against BW, said Mr. Wynne, while "we have a right to appraise their reasons."

One by one, Mr. Wynne sought to knock down the chief banker arguments against the BW Fund. He advised the Committee that those bankers "are against both the Fund and the Bank, because they said they were. Mr. [Winthrop] Aldrich made a speech in Chicago and he condemned both of them. Well, that sounded so crazy that even the people in his own bank were not in favor of it, so he hedged on it and now he says he is for the Bank. . . ."

"The real reason why the banks are against the Fund," according to Wynne, is because it will work too well. They do not want any kind of regulation that will diminish their power, or interfere with their avenue of profit, and that is why they are against the Fund."

Mr. Wynne expressed confidence that BW will work. However, he admitted that under BW he would still not take a chance, but would want to hedge his foreign exchange contracts until BW "shows that it will work." What he objects to is the banks' "influence towards keeping the unstable condition of exchange," adding: " . . . they would oppose any plan, just as they were against . . . the Federal Reserve System, which took away their power."

Congressman Wolcott Speaks Up

Congressman Jesse Wolcott, ranking Republican member of the Committee, rarely has much to say on BW, but Mr. Wynne's testimony resulted in much questioning by the Michigan representative. Mr. Wolcott saw no more reason for questioning the sincerity of the banker opponents of BW than to question that of Mr. Wynne, who had at least as much in the way of business profits at stake and "a little bit more, perhaps."

Wolcott asked Wynne just which bankers he meant, when he stated bankers are "heavily interested and dominate the exchange market." To quote only briefly from the transcript:—

Mr. Wolcott: What bankers in the United States dominate the foreign exchange market?

Mr. Wynne: The big New York banks.

Mr. Wolcott: Who are they?

Mr. Wynne: I would rather not mention them.

Mr. Wolcott: well, you have made the charge that you are not in favor of the position taken by the banks that dominate the foreign exchange market. We have had before us bankers who are high in banking circles, such as the members of the New York State Bankers Committee which represents as I understand it, both the small and big bankers in their report and in their report they came to the same conclusions as the American bankers did.

If you know of any particular banks that are working contrary to the interest of the American people, I think this Committee should have it and remedy it by proper legislation, if necessary.

Mr. Wynne: There is one bank in New York whose position is outspoken and well known, and I think it is perfectly proper for me to mention that bank. The head of the Chase National Bank, Mr. Aldrich, has made numerous statements to the public. I do not agree with his viewpoint. If he represents the view of the bank, and it is assumed that he does, I do not agree with the Chase National Bank.

Mr. Wolcott: Who else?

Mr. Wynne: The others have not been in the press. The other banks have not officially spoken, so far as I know on this, and I do not care to mention them.

Mr. Wolcott: Leon Fraser spoke before his death before this Committee. Randolph Burgess has spoken before this Committee.

Mr. Wynne: Dr. Burgess spoke as representing the ABA, not the National City Bank.

Mr. Wolcott: He spoke with a sincerity that convinced me that he was not only expressing the opinion of the American Bankers Association, but his own opinion as well.

Mr. Wynne: Well, he is a very convincing speaker, Dr. Burgess is.

Mr. Wolcott: Do you think that we should take the Bretton Woods Articles of Agreement as they are without any change?

Mr. Wynne: Yes, I do. I do not mean by that that I think they are perfect.

Mr. Wolcott: Well, is it not our job as Congressmen to do that?

Mr. Wynne: Well, here is the danger of doing that. There is not anything that you can do in Congress, in my humble opinion, by way of improving them that will not be done better later on, because you will be uncertain of just what you can do; you undoubtedly are now, and as you study them more, after you have heard a thousand more fellows like me, who thinks he knows something about it, you will be even more in doubt than you are now, as to just how you could change them and the chances are if you made a change you would make the wrong one. That is, there would be just as good chance that you would make a wrong one as a right one, let me put it that way.

I would say great concentration has been put on these agreements. The best financial minds that these countries could send to these conferences have concentrated on it. And they have presented a plan here with which you can find very little wrong. It will stand up under scrutiny and examination, and look awfully good.

Mr. Wolcott asked the witness to tell him the justification for giving Russia a quota of $1,200 millions in the Fund; to tell him whether political questions were not involved in setting up the quotas; whether Congress should not examine such matters before accepting the plan. To the last question, Wynne answer, "yes." Wolcott continued:—

Mr. Wolcott: Now, throughout these hearings, we have been constantly told that we can not touch the language of the Bretton Woods Articles of Agreement. We should not change them because, oh, for various reasons, that it would encourage other countries to offer suggestions, and there would be the necessity of calling a new conference, and so on. To me, that is just a lot of rubbish, because I believe that if we as a Congress can agree for participation on the part of the American Government in a manner which will effectuate the purposes of Bretton Woods, there is not another one of those 43 other countries that would not be glad to accept our position. . . . They know that if they make a fundamental change which is unsatisfactory to us, that we might not come in, and if we do not come in, there will be no Fund, and there will be no Bank, and we, as a nation, are in a much better position to ride the crest of these waves in the future alone than any other country in the world.

Mr. Wynne: Well, I would say this, has any one brought forth up to now an amendment or a change that is so important that it is entitled to favorable consideration? If so, I have not heard of it.

Mr. Wolcott: Certainly.

Mr. Wynne: You refer to the ABA report?

Mr. Wolcott: Yes, and the CED report, and several suggested changes in the enabling act in respect to our participation in the Funds. I think the Congress has got to provide for some closer liaison between the managers or the directors and governors of the Bank and Fund, and the Congress, I think, we are expected to exercise a little bit more control over our participation that is contemplated by the enabling act.

I am inclined to think that several things could be done to impel if not compel closer cooperation in the operation of the Bank and Fund, and these are things which would necessarily change the language of the Articles of Agreement.

By the same token, that we do not suggest any changes because of fear of other changes, the position which we take in providing a closer affiliation between the Bank and the Fund, in our enabling act, would encourage the other nations, of course, to take similar action. . . .

If the American Congress decides that the purpose of the Fund can be effectuated by establishing a stabilization department in the Bank, and that it is not necessary because of that action to set up a separate Fund, and it is somewhat apparent because of the majority action taken here in Congress, that the U. S. Government is willing to cooperate in effectuating the purposes of the Bretton Woods Agreement, but finds it unnecessary to set up two distinct organizations to accomplish that purpose, would there be any danger of the other 43 countries not coming in?

Fund Will Be Used for Capital Purposes

Mr. Wolcott: Why is it necessary to set up an eight billion, eight hundred million dollar fund, if the use of that fund is restricted solely to stabiliza-

This advertisement is neither an offer to sell nor a solicitation of offers to buy any of these securities.
The offering is made only by the Prospectus.

WEST VIRGINIA WATER SERVICE COMPANY

14,000 Shares
$4.50 Preferred Stock (Cumulative)
(without Par Value)
Price $104 per share
plus accrued dividends

70,000 Shares
Common Stock
(without Par Value)
Price $13.50 per share

Copies of the Prospectus may be obtained from the undersigned.

Allen & Company
New York

Shea & Co.
Boston

April 26, 1945

DIVIDEND NOTICES

The American Tobacco Company
INCORPORATED
111 Fifth Avenue New York 3, N.Y.

159TH COMMON DIVIDEND

A regular dividend of Seventy-five Cents (75¢) per share has been declared upon the Common Stock and Common Stock B of THE AMERICAN TOBACCO COMPANY, payable in cash on June 1, 1945, to stockholders of record at the close of business May 10, 1945. Checks will be mailed.

EDMUND A. HARVEY, *Treasurer*

April 25, 1945

Borden's

DIVIDEND No. 141

An interim dividend of forty cents (40¢) per share has been declared on the capital stock of ***The Borden Company,*** payable June 1, 1945, to stockholders of record at the close of business May 15, 1945.

E. L. NOETZEL
April 24, 1945 *Treasurer*

COLUMBIAN CARBON COMPANY

Ninety-Fourth Consecutive Quarterly Dividend

The Directors of Columbian Carbon Company have declared a regular quarterly dividend of $1.00 per share, payable June 9, 1945, to stockholders of record May 15, 1945, at 3 P. M.

GEORGE L. BUBB
Treasurer

(More dividend notices on page 1855)

tion? . . . Do you know whether or not that amount was predicated upon the fact that much of it would be used, not for stabilization of currencies, but for rehabilitation and reconstruction purposes?

Mr. Wynne: I do not think that they expected to use any of it for that.

Mr. Wolcott: Let me tell you then, that Russia, as I understand it, being intellectually honest, said that they are going to draw out all the exchange they possibly could get for rehabilitation and reconstruction purposes. That she would have to do that in order to neutralize. . . .

Is France not in the same position?

Mr. Wynne: To the extent that they use the Fund for that purpose, they will have less privilege and less use of the Fund for their current transactions.

Mr. Wolcott: All right, if all countries which have been devastated physically or financially used the Fund for rehabilitation and reconstruction purposes, the Fund would be exhausted so there would not be anything left for stabilization. . . . Do you not think that China is going to be in a position where she will want to take most of her $550,000,000 out for reconstruction and rehabilitation purposes? . . .

Russia, with a billion three hundred million dollars, I think we can safely assume that Russia and China will use the Fund for reconstruction and development, and many of the other countries. Do you not think it is logical to assume that many of the countries which are now reasonably stabie, so far as their currencies are concerned, to get a favorable advantage in the postwar markets, will want to buy some heavy goods, and manufactured and consumer goods, and if she is going to predicate her stabilization upon the acquisition of enough capital goods with which to stabilize her industries so that it will follow ipso facto that her currency will be stabilized?

Patman Asks a Question

Congressman Wright Patman asked the witness a few questions, eliciting from him the estimate that 90% of this opposition to BW comes from the bankers, "those who are selfish about it." There followed this interchange:—

Mr. Wolcott: Why do you say that these bankers have a selfish motive in wanting to continue to assume these risks on unstable currencies. I do not understand that.

Mr. Wynne: Well, for instance, under present conditions, suppose they bought pesos very cheap. Suppose they bought pesos at the unofficial rate, in the Argentine, or suppose they created a scarcity of a foreign currency by several of them acting in concert?

Mr. Wolcott: All right, but you are assuming something that we have not got any right to assume, that legitimate bankers doing legitimate business are going out and creating conditions in world currencies because they are virtually gambling in exchange. I think we have a right to assume the bankers were telling the truth when they said that any bank they do that in is about in the same position as a banker who will bet on a horse race.

Mr. Wynne: Well, is it not a common practice among the banks.

Mr. Wolcott: No. The New York banker might try to make the peso cheap and the Chicago banker might try to make it expensive and they would get caught in a squeeze and lose a lot of money.

Mr. Wynne: It is not a common practice, but we know it has been done in the past and we know it can be done now and we know without some plan like this to make it difficult, it will undoubtedly be done in the future. It is not a common practice.

Mr. Patman: But the fee is definite and common?

Mr. Wynne: Oh yes.

Mr. Wolcott: It is not common practice for banks to manipulate foreign exchange which might result in prejudice to their stockholders. Of course not, so you are basing the conclusions that the bankers as you say are against this Fund although they have not said they were against the Fund, upon the practices of a few crooked bankers, which I hope are very much in the minority.

Mr. Wynne: No, that is not crooked. They have a right to do that. It is not illegal.

Mr. Wolcott: Well, it is illegal or crooked when they go out and manipulate exchange to the prejudice of our industries and farmers for the purpose of making a dollar or so. . . . I personally do not think you have made out a very good case in your imputation of a motive for any selfishness on the bankers' opposition to the Fund.

Representative Sumner Has a Point

Representative Sumner of Illinois was unable to get the witness to admit that BW constitutes a subsidy to exporters — although to Mr. Wolcott the witness had admitted the BW Fund would safeguard the interests of exporters. Miss Sumner, however, concluded that stabilizing the price of foreign exchange for the foreign trader is much like stabilizing market prices for the farmer, removing one risk from doing business.

When Did Treasury Consult Bankers on BW?

An interesting part of Mr. Wynne's testimony related to his conferences with the Treasury before that Department had sought the bankers' views on the experts' plan. As recorded in the transcript:

Mr. Wynne: I happen to know, Miss Sumner, that the Treasury has consulted every banker in this country who has an opinion worth listening to on stabilization and exchange. Because I have been in the meetings; I have been in the meetings with White and Bernstein, where it was discussed. They have consulted every opinion and shade of opinion. They have invited the fullest comment and criticism on the part of all the banks in New York interested in this problem, or any other cities in the country. I know, because I was in the meetings. They have consulted not only the orthodox, but the unorthodox opinion, and the public as well.

Miss Sumner: There was some complaint here from the bankers that they were not consulted. Would you mind telling me when those meetings were, because they were complaining they were not properly consulted.

Mr. Wynne: I can explain that to you. What they mean is that they were not consulted soon enough. They were not consulted freely until the story broke in London. In other words, this story broke in London, got in the press, was called the Keynes plan, and made the headlines over here. Up to that time the bankers had not been consulted freely. Some of them had been, but generally speaking, they had not been. Now, the reason why they had not been was because the Treasury had not made up its mind itself what they wanted to present to them. The matter was still under exploration, and it was their intention all along, when they did develop this plan, to the point where they thought it was as good as they could make it, for the time being, that they would throw it out on the table and let the bankers throw it apart and criticize it.

I know that because I raised the question with Dr. White myself. I knew about this for sometime back; just through certain circumstances. It is because I have contributed a little to it. I said: "At what point are you going to consult the bankers?" He said, "When we get something to consult them on. When we get it in definite form, then we are going to consult them on it. We want their opinion; we want to know what they think about it." But the thing leaked out in London before we wanted it to. It was too good to keep. So it got into the press over there and it forced the hand over here—in other words, we had to immediately announce it over here, which was done, the Secretary of the Treasury called several committees of Congress together, and I think this Committee, and told you about it. That was sometime back.

Miss Sumner: Did you urge them to consult the bankers?

Mr. Wynne: I would not say that I urged them to do it. I suggested it.

Miss Sumner: Did you ask them to?

Mr. Wynne: I suggested it, yes.

Miss Sumner: And they felt it was not —

Mr. Wynne: I felt that their position was all right. They had a good reason for waiting to consult the bankers until or unless they had a definite plan to present. But they did consult, from that point on, they consulted the bankers freely. There were many meetings with them, every banker had a chance to present his criticisms and his suggestions and they have received full consideration. You may be absolutely sure that that is true. . . .

And I believe—I do not know whether you have asked that question or not, but if you do,

I believe the bankers will tell you the technical provision of this Fund, as laid out in the Bretton Woods agreement, is fine.

Farm Bureau Meets Mr. Smith

The BW hearings have contained some expert testimony from both officials and bankers who obviously have given much study to the proposed Fund and Bank. Also, the hearings to date have included support for BW from various organization spokesmen who, under questioning, revealed inadequate familiarity with BW as an operating machine, but who rather were for the program "just because." In this category were witnesses representing the National League of Women Voters, the American Association of University Women, and the American Farm Bureau Federation.

When the latter was before the House Banking and Currency Committee, President Edward A. O'Neal did not do so well under cross examination by Congressman Frederick C. Smith (R.) of Ohio. The Congressman is an outspoken opponent of BW. Mr. Smith developed the fact that the Farm Bureau is on record as favoring development of foreign trade on the basis of balancing exports with imports. He elicited Mr. O'Neal's admission that the BW program, along with expansion of the Export-Import Bank and repeal of the Johnson Act, as provided in H. R. 2211, will result in a large addition to our exports, including farm products, which of course is the chief point of interest to the Farm Bureau. Congressman Smith proceeded to cross examine the witness concerning what new and additional imports this country could make to liquidate the billions in loans to be made through BW and otherwise; but Mr. O'Neal, despite obvious squirming, was unable even to create the impression that the Farm Bureau, in drafting its resolution on BW, had thought of that very important matter.

Mr. O'Neal said simply: "Let us give money now, in order to have trade." On what commodities we might import to pay for the loans we are to make: "Well, Mr. Smith, I can not be a prophet on that . . . That is a difficult question to ask . . . I am not an industrialist . . . You are asking me to be God Almighty." O'Neal was doubtless no little relieved when Chairman Brent Spence broke in with: "I think that the pursuit of this questioning of the witness serves no useful purpose."

Congressman Smith, however, concluded otherwise, to the effect that the Farm Bureau's stand on BW was not the result of "a careful study and analysis," but rather —in view of Mr. O'Neal's reiterated support of farm subsidies— was based on BW as a subsidy for farm interests through the stimulus to exports based on loans.

Hilbert Co. to Admit Sherow as Partner

Alonzo B. Sherow will become a partner in Hilbert & Co., 120 Broadway, New York City, members of the New York Stock Exchange, as of April 12th. Mr. Sherow was formerly in the New York office of Stein Bros. & Boyce and with with Paine, Webber & Co.

This advertisement appears as a matter of record only and is neither an offer to sell nor a solicitation of offers to buy any of these securities. The offering is made only by the Prospectus.

198,800 Shares

The Wilcox-Gay Corporation

Common Stock

Price $4.00 per Share

Copies of the Prospectus may be obtained from such of the undersigned as are registered dealers in securities in this State.

Kobbé, Gearhart & Company
Incorporated

Carr, Chapin & Company

April 23, 1945

Investing in America's Vital And Growing Companies

(Continued from page 1826)

currence. Because these general price swings are frequently related to such an intangible factor as human psychology, I believe all here will freely admit that the science relating to them is not so exact as is true of individual security selection. Consequently, the security analyst has also turned his attention to ameliorating the influence of the cycle on his carefully selected stocks.

One method of coping with the general price cycle that has come into prominence over recent years has been the so-called formula plan. This plan has been dignified by its acceptance on the part of a number of prominent funds, such as those of Yale and Vassar. It recognizes that no recent price tree, with the possible exception of the German experience following World War I, has ever sunk its roots quite to China or lifted its branches quite to heaven. Accordingly, as prices in general move upward the plan contemplates a reduction in share holdings; as prices move downward, an addition in share holdings. All things considered, there is much to commend this approach. Its weakness, it seems to me, is that it may dull the investment sensibility to the occurrence of a sustained upheaval in prices, such as occurred throughout Europe following the last war, based upon permanent deteriorating in national monetary units. Under these conditions it is essential that full equity positions, granting proper selection, be maintained intact throughout the price rise in its entirety.

Today, I should like to deal with a method evolved in our own organization, not for excluding but, at least, for moderating the influence of the ugly little fact of the cycle on our hard earned work in the field of individual stock choice. Naturally, I hold that unless and until the long term capital gains tax becomes prohibitive, the ideal investment operation in stocks would be to accumulate a choice and full line at the exact bottom of a cyclical decline in general prices and to move out of this position at the exact peak of the succeeeding cyclical upswing, repeating this process *ad infinitum*. Because I have been unable to perfect any such process, however, and because, during twenty-six years of experience in the Street, I have yet to find any one else who has. I have been forced to look around for other tools, in addition to such benefit as is nevertheless still to be gained out of following the cycle. One of the most helpful and satisfactory of these tools is the growth stock.

It has long been the practice of our organization each year to establish an approved list of stocks and to confine all purchases throughout the year to issues on such approved list. These approved lists have represented those issues out of all stocks traded over the New York Stock Exchange and New York Curb that were regarded as having the maximum appreciation possibilities over the twelve months ahead, all such issues being likewise subjected to certain tests as to satisfactory financial position and other factors having to do with the investment quality of the issue. This approved list has been revised during the course of the year, although once the list has been established in the early part of each year, there have been only a few changes during the succeeding quarter, the major changes in the list being at the beginning of the year when earnings estimates for the new year have been worked out by us.

In March of 1938, in establishing our list, out of the 600 or 700 issues examined, 184 were admitted to the approved group. As usual, these issues were selected, not only because of their satisfactory quality from a financial and managerial standpoint, but because our various statistical determinations indicated that, relative to the general market, such issues enjoyed attractive appreciation possibilities. **However, in the 1938 selections we determined upon another check, namely, we rated each issue as to whether, from a long-term or five to ten-year approach, we regarded the issue as being in a growth earnings trend, a stationary earnings trend, or a declining earnings trend.** For illustration, the leading chemical companies were accorded a long-term growth rating; a majority of the steel stocks, a stationary growth trend; and the few railroad stocks that were on our approved list, because of their twelve-month appreciation outlook, had to be accorded a declining growth trend. Those long-term ratings were established because of our belief, based upon the history of a considerable number of sizable accounts placed under our supervision, that, over a broad period, the issue that was enjoying long-term growth in earnings as against a stationary or declining trend of earnings should develop the most creditable performance for the investment account. We, therefore, felt that by so rating, in early 1938, our total list of approved issues we could, over a period of several years, obtain a check upon the validity of this belief, with the hope of improving our methods of selecting investment stocks. Of the 184 stocks which appeared on our total approved list in the first quarter of 1938 as attractive from a cyclical viewpoint. 50 stocks rated as being in a long-term growth or "+" trend, 104 stocks in a long-term stationary or "o" trend, and 30 stocks in a long-term declining or "—" earnings trend.

In the somewhat over two years that elapsed from March 31, 1938 to June 10, 1940, the general market, as reflected by the Dow-Jones industrial average, advanced from March 31, 1938 to Nov. 12, 1938 by some 60%; declined from Nov. 12, 1938 to April 8, 1939 some 23%; advanced from April 8, 1939 to Sept. 13, 1939 around 28%; and, from Sept. 13, 1939 to June 10, 1940, declined around 28%. The net effect of these various moves was to leave the Dow-Jones industrial average, on June 10, 1940, approximately 13% above its level of March 31, 1938. In other words, over the two-year period the market just about made a round trip. The period was a critical one inasmuch as it witnessed the gradual deterioration in European political conditions, the outbreak of war, and the conquest of Continental Europe by the German armies. From a standpoint of testing the selection of stocks as discussed above, based upon their long-term earnings trends, the period, however, might be regarded as almost ideal in the sense that both upward and downward markets of considerable dimension were witnessed, with the overall period, as noted above, ending not far from where it started.

On the diagrams that are before you we have indicated the performance of the various groups over the two-year period in question. The first chart shows the price course of the four groups of stocks for the period March 31, 1938 to June 10, 1940. These groups, in order, are the Dow-Jones average (solid line), the 50 stocks designated by us in early 1938 as possessing long-term growth or "+" trends (dashed and dotted line), the 104 stocks designated by us as having a long-term stationary or "o" earnings trend (solid line with circles), the 30 stocks designated by us as having a long-term declining or "—" earnings trend (dashed line).

It will be noted, in the cyclical rise occurring in the year 1938, that all three of the designated groups, that is, the "+," "o," and "—" stocks making up our total choice of 184 stocks, materially exceeded the rise in the Dow-Jones industrial average, the movements shown representing percentage changes. This ability of all three groups to appreciate more widely than the general market was in line with and confirmed the validity of our approved list selection methods at the time, which, as noted above, was chosen on the basis of a selected group of issues out of all traded over the New York Stock and Curb Exchanges that should do better than the general market. However, studying the performance of the various stocks over the two-year period, it will be noted that the 50 growth issues gradually moved ahead of the balance of the list, that is, the stationary issues, the Dow-Jones average, and the declining earnings issues.

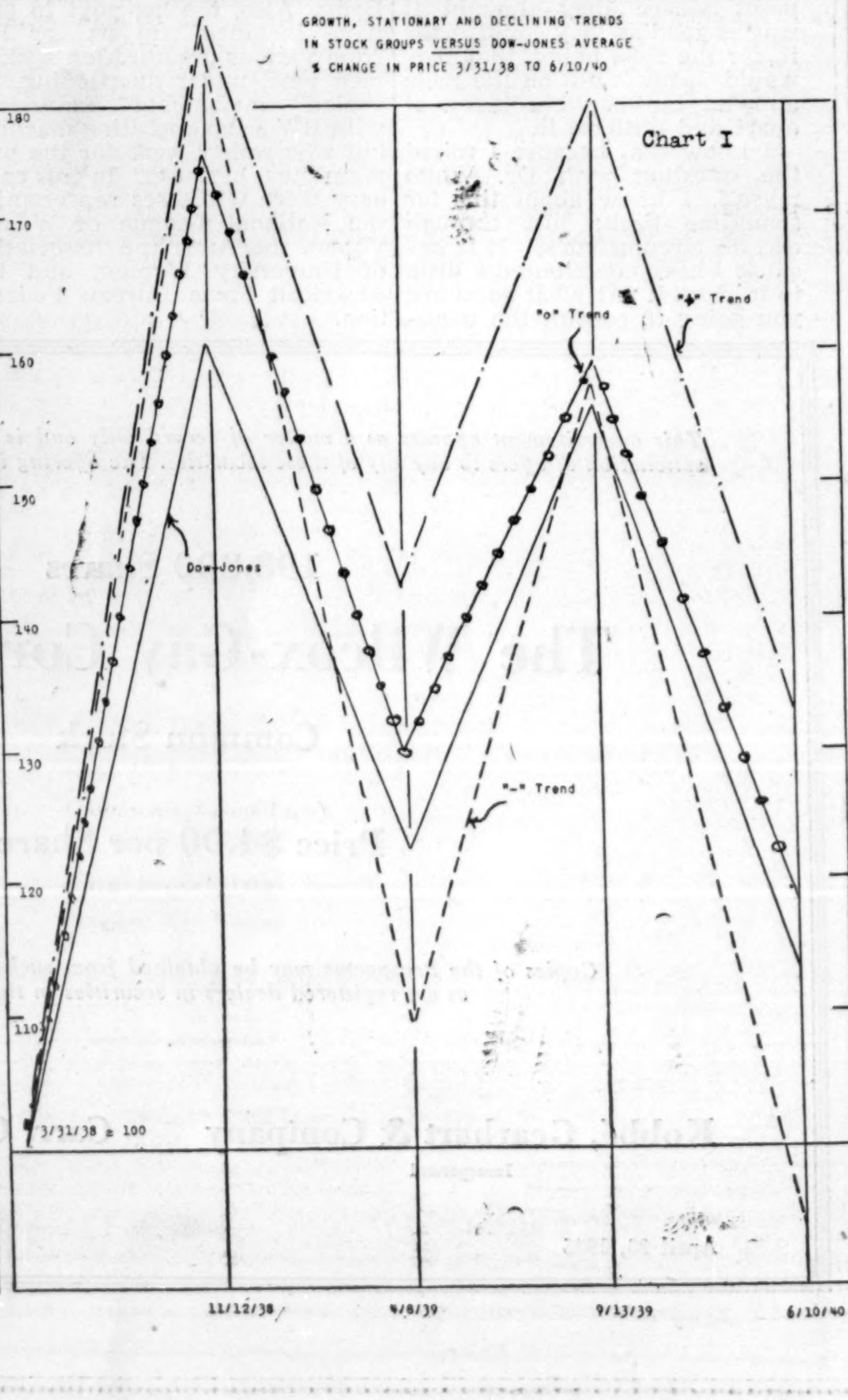
Of particular interest is the fact that while the growth issues were materially above the Dow-Jones average at the close of the two-year period, the declining earnings issues were materially under the Dow-Jones average. It should be borne in mind that these declining issues, however, had been previously subjected to certain quality checks by us which lent a certain measure of strength to them. Had the list of declining issues been as broad as the list of stationary or growth issues, undoubtedly the decline would have been considerably more over the two-year period. Specifically, the Dow-Jones average, for the two-year period, or from March 31, 1938 to June 10, 1940, advanced by 13.0%; the growth issues, by 33.2%; the stationary issues, by 18.5%, whereas the declining issues registered a net loss of 6.3%. **Making the conservative assumption that dividend return on the growth issues averaged out at 4% a year, the performance of these issues over the two-year period on the basis of dividends plus appreciation in market value was at the rate of approximately 20% annually—this despite the fact that critical conditions endured throughout the two-year period as concerned the general market movement.**

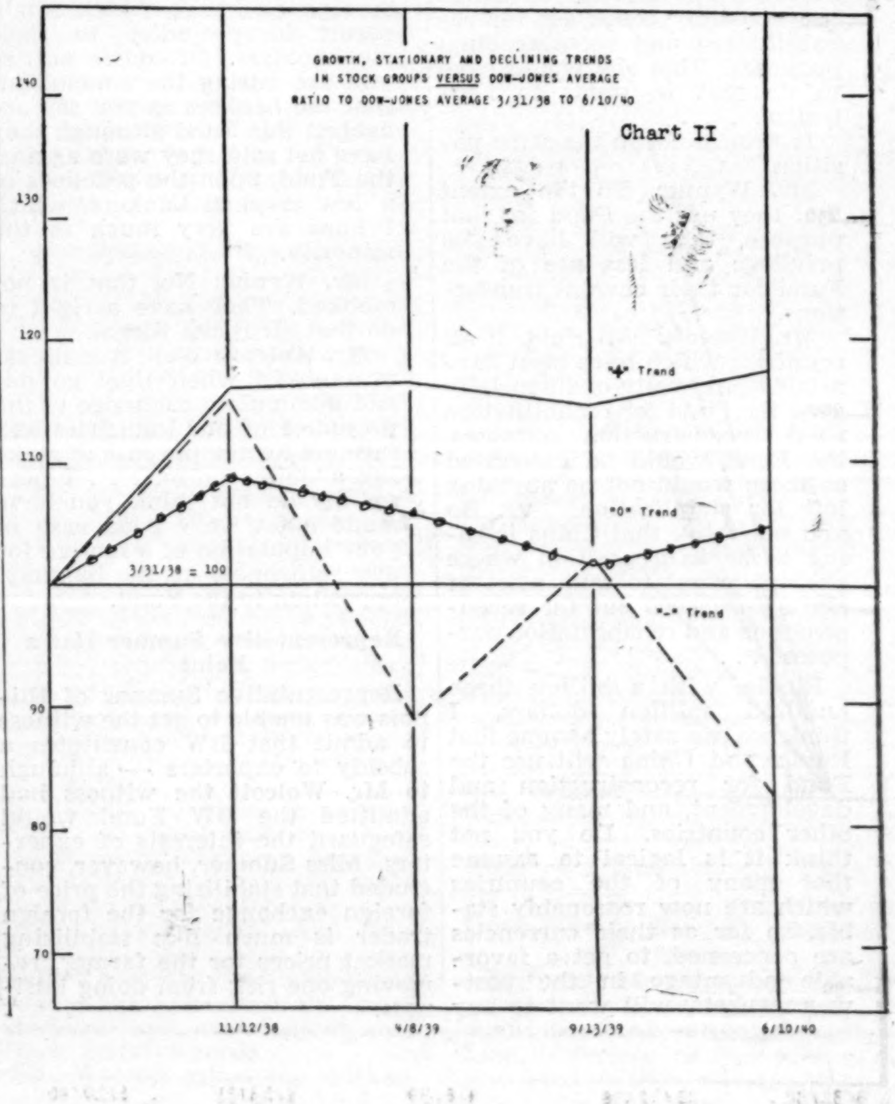
Chart II merely presents the results of Chart I in a different way. This chart shows where the holder of the growth or "+" issues, the stationary or "o" issues, or the declining or "—" issues would have stood at the end of the two-year period as against one who held the general market, as reflected by the Dow-Jones industrial average, over the same period.

Chart III is a study in which the 50 growth stocks selected by us in 1938 are shown as to performance, not only for the period from 1938 into 1940, but whose price course is retrospectively carried backward to 1921 on a statistical basis which permits a comparison of the price course of these issues with the general market. The purpose of this check was merely to determine growth performance over a broader period than the actual two-year test made by us, as previously discussed. This retrospective check tends to bear out, over a broader interval, the same conclusions to be arrived at on the basis of the two-year selections as initially worked out in 1938. Of course, one may question whether these issues would have been designated as growth stocks in 1921, but there is no question as to their designation or superior performance between early 1938 and mid 1940. This twenty year chart, in a secular or decade to decade, way, repeats the experience of the 1938-1940, or cyclical chart, namely, that the growth issue meets support at successively higher levels at each important bottom. It also reaches successive new highs at each important top.

Chart IV shows the performance of certain individual issues out of the total 50 stocks in our growth or "+" list which were favored for purchase during the period by us as against the performance of the Dow-Jones industrial average over the two-year period. For illustration, whereas the Dow-Jones industrial average advanced some 13% over the period, Square D showed an advance of some 150% over the period.

In summary, by selecting stocks on the basis of the attractiveness of their long-term earnings outlook the investor, while in no way





losing the advantages of a cyclical or one to two-year upswing in business, establishes a portfolio which, over a considerable number of years, including business declines as well as advances, should gradually appreciate in market value and income return in comparison with the general market. Stated otherwise, whereas the general market reflects, over any period broad enough to iron out the cyclical or 1 to 3 year earnings, the progress of all industry within the country, a selection of growth issues represents the segment of all industry that is demonstrating the greatest vitality and growth. Railroad stocks during the closing decades of the past century, oil stocks early in this century, automobile stocks from 1910 to 1929, each, in turn, along with others, belonged in the growth group. Other issues are now to be emphasized, among which plastics and other chemicals, metal alloys and air transportation are abovious examples.

This 1938-1940 experience substantiated, at least to our minds, the proposition initially assumed by us in early 1938, namely, that the growth stock merited particular emphasis in selection. Accordingly, during what we then regarded as the accumulative market period—speaking in terms of the general price cycle — of 1940-1942, we devoted our full attention to the growth issue, feeling that by stressing it and eliminating stocks with a long-term stationary or declining earnings trend, the investor's holdings should respond most fully to favorable industry and company influences seen as ahead and be best able to withstand the erosion continuously being witnessed throughout the field of corporate investment.

The results of our growth selections have not disappointed us. For comparison with leading and representative stocks in general, as reflected by the Dow-Jones industrial average, of some one hundred odd issues of investment grade, medium risk and speculative grade category making up our current list an average advance from the 1942 lows to the recent March highs of 114% had been achieved if each issue is given equal weight; of 159% if each of the 3 groups—investment grade, medium risk, speculative grade—instead, are given equal weight. Over the same period the stocks in the Dow-Jones industrial average advanced by 80%. The average itself advanced by 75% but the above 80% calculation allows for the individual stocks in the average making their lows and their highs, not simultaneously, but on different dates.

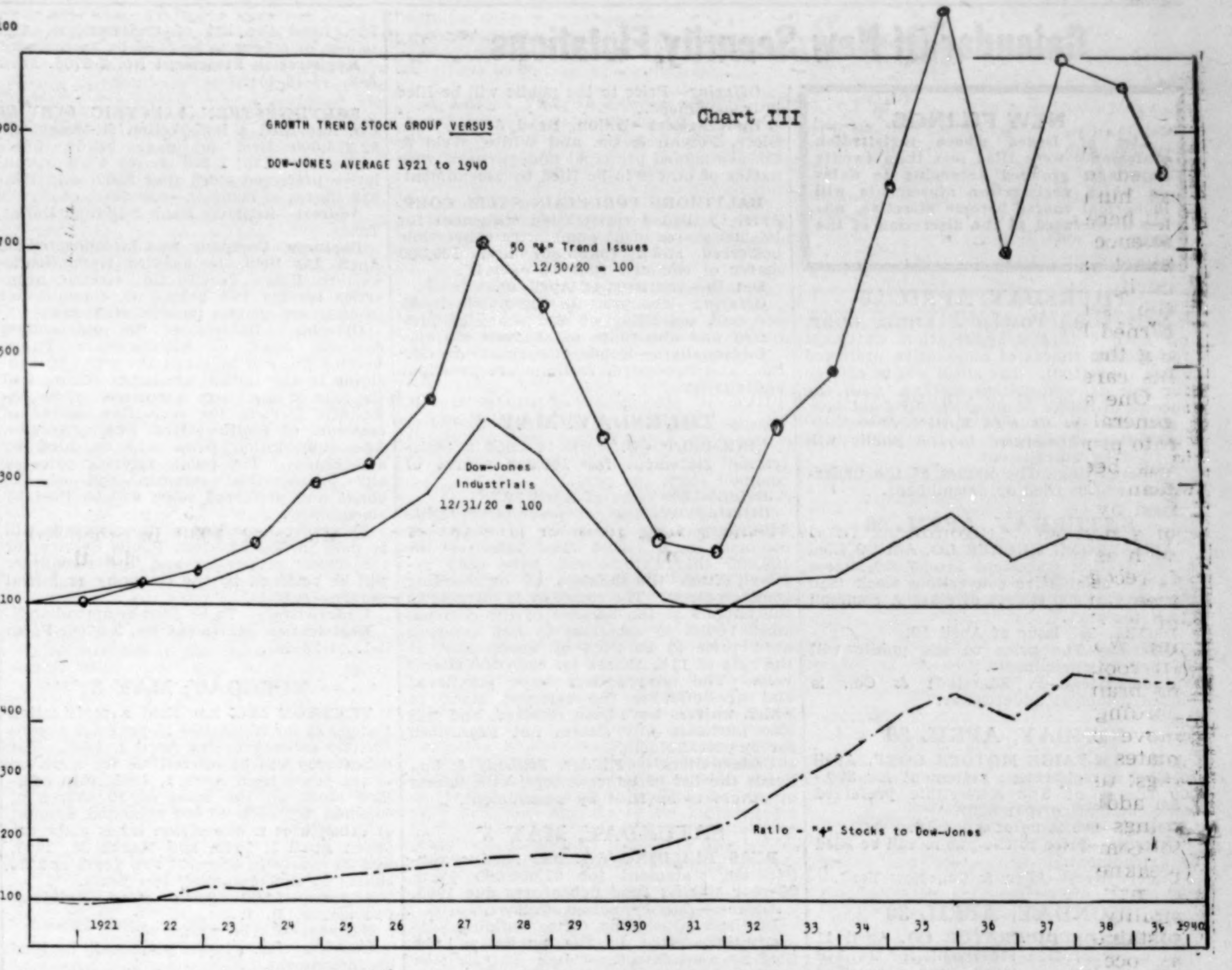
When in tne 1940-42 accumulation period the nature of the excess profits tax was known, our insistence on emphasizing the growth issue was subject to some criticism on the ground that such a tax would, for the duration, penalize this type of company. And the tax has penalized the growth of company by retarding current earnings as against what they would have been if no prewar standard of normal earnings had been set up. Yet, despite this penalty, the growth issues, as just indicated, have out-performed the general list.

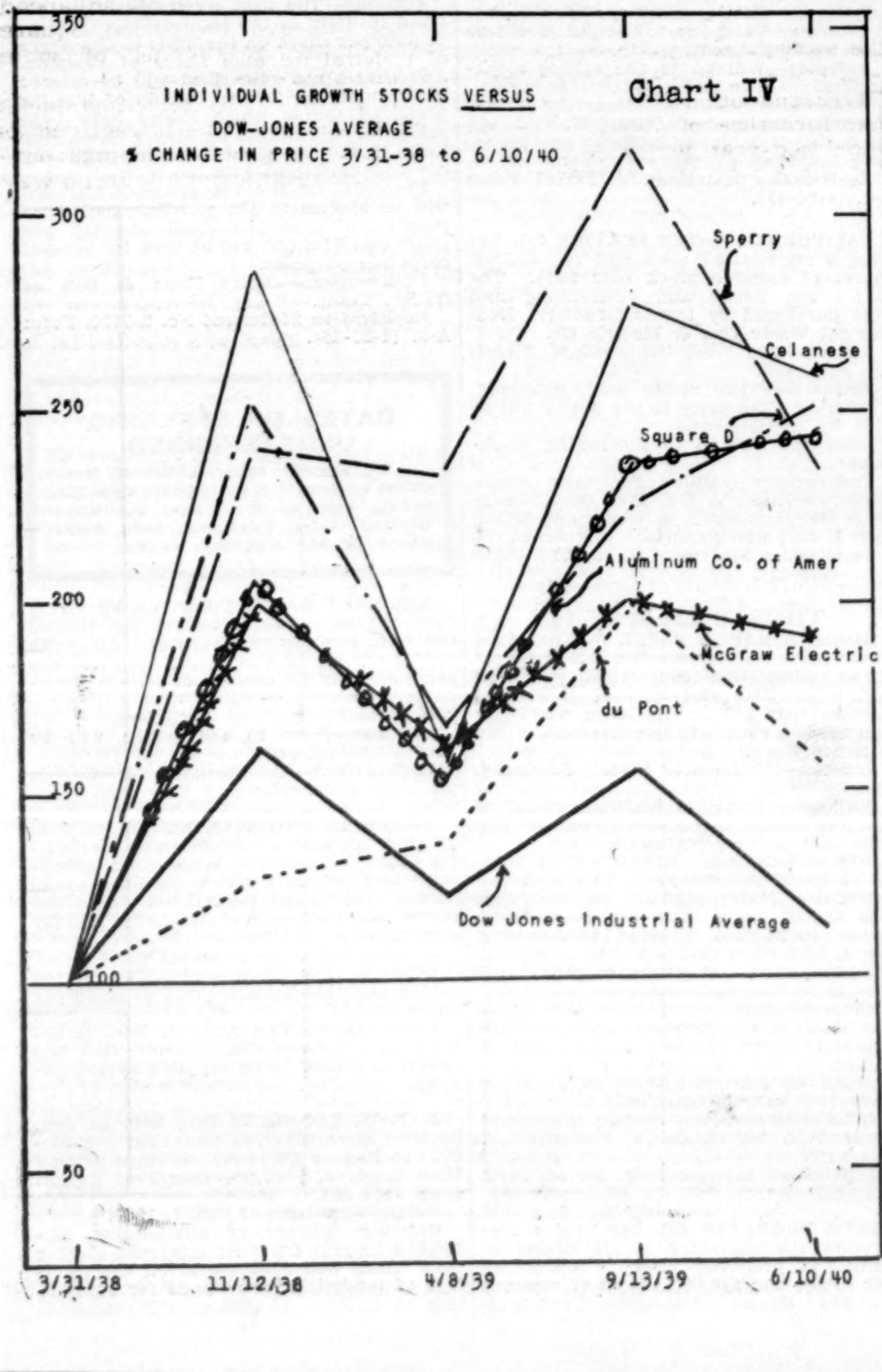
Another criticism of the growth approach has been that it excludes what we term the special situation. This may be some single economy, or some one or more industries, where long-term earnings growth is not under way but where one or more years of excellent earnings or increased asset values may be foreseen because of some controlling though passing development. Rails and public utility holding company preferreds are examples in the current cycle; undoubtedly railroad equipments will be among examples in the next cycle. In answering this criticism let me point out what can be done with the growth stock as an offset to what we term the special situation.

During 1940 to 1942 we intermittenly recommended one growth stock and another for purchase. Recognizing, as did every one else, the precarious period through which we were passing, we were particularly attracted to issues of investment grade when they become available on a 5% yield basis. Two examples, in particular, were Owens Illinois Glass at 40 on a $2 dividend and Union Carbide at 60 on a $3 dividend. However, when the market, in April, 1942, broke well under the 100 level on the Dow-Jones average, it seemed to us that the market was on the bargain counter. Accordingly, we culled over our total list of growth issues with the thought of narrowing down to a package of some 20 issues. This package was further subdivided to meet the tastes of our various investors, into 10 investment grade stocks, 5 speculative grade stocks and 5 low-priced speculations. On May 23, 1942, we issued this list to our subscribers. It represented our only "Especial" buying bulletin of the 1940-42 period. This study is included with the charts that you have, giving not only the list of stocks but the reasons why we believed they were a purchase and the methods by which we narrowed down to the smaller number of 20. Of chief interest has been their performance from May 23, 1942, prices to the recent March highs. The 10 investment grade stocks had advanced, on average, 98%; the 5 speculative stocks, 182%; the 5 low-priced speculations, 510%.

The point I wish to make is that here is an "especial" list, chosen entirely out of stocks regarded by us as growth issues. This list included no special situations such as rails or utility holding company preferreds. Yet, I would be interested in seeing a list of "special situations," chosen at the time, that, quality for quality of stocks, out-performed these growth selections. Please bear in mind that I feel the "special situation" approach is also a valuable one. I am merely trying to show advocates of "special situation" stocks that the growth approach is not without merit also, particularly when it is borne in mind that special situations come and go with each cycle, and are discerned but by the few, as against which the growth stock is plenteous, if not in majority, and is with us, cycle on cycle. Furthermore, it works while you sleep, cycle without end. You can afford to get caught with it at a top, because it will do better at the next top. Neither do I think that the value of the growth approach is diminished when I say that we recommended to our clients the sale of the 5 low-priced selections when, a year after their purchase was recommended, they had advanced, on average, only 290%. This recommendation was a function of policy, not stock selection.

Lastly, let me point out that with lifting of the excess profits tax—which we all expect in a year or two—the growth stock should be given an added impetus. Then it should come in alignment with its natural earnings trend, which trend has been moving upwards during the war period, although concealed by the excess profits tax.





This advertisement is neither an offer to sell nor a solicitation of offers to buy any of these securities. The offering is made only by the Prospectus.

110,000 Shares

The Hub, Henry C. Lytton & Company

(An Illinois Corporation)

Common Stock

(Par Value $1 per Share)

Price 7¾ per Share

Copies of the Prospectus may be obtained from the undersigned.

ALLEN & COMPANY

April 26, 1945

Calendar Of New Security Flotations

NEW FILINGS

List of issues whose registration statements were filed less than twenty days ago, grouped according to dates on which registration statements will in normal course become effective, unless accelerated at the discretion of the SEC.

THURSDAY, APRIL 26

NEW YORK POWER & LIGHT CORP. on April 7 filed a registration statement for 240,000 shares of cumulative preferred stock (par $100). The stock will be offered for sale at competitive bidding, with the successful bidder naming the dividend rate.

Details—See issue of April 12.

Offering—The price to the public will be filed by amendment.

Underwriting—The names of the underwriters will be filed by amendment.

SATURDAY, APRIL 28

ARMSTRONG RUBBER CO. April 9 filed a registration statement for 50,000 shares of 4¾% cumulative convertible stock ($50 par) and 50,000 shares of class A common stock (no par).

Details—See issue of April 19.

Offering—The price to the public will be filed by amendment.

Underwriters—F. Eberstadt & Co., is named principal underwriter.

SUNDAY, APRIL 29

GRAHAM-PAIGE MOTORS CORP. April 10 filed a registration statement for 200,000 shares of 5% convertible preferred stock cumulative (par $25).

Details—See issue of April 19.

Offering—Price to the public will be filed by amendment.

Underwriters—Allen & Co., New York.

MONDAY, APRIL 30

GIBSON REFRIGERATOR CO. April 11 filed a registration statement for 247,140 shares of common stock (par $1). The shares are issued and outstanding and are being offered on behalf of certain stockholders.

Details—See issue of April 19.

Offering—Price to the public is $11.75 per share.

Underwriters—Paul H. Davis & Co., and Shillinglaw, Bolger & Co., Inc. of Chicago, are named principal underwriters.

B. F. GOODRICH CO. April 11 filed a registration statement for $35,000,000 first mortgage bonds series due 1965. The interest rate will be filed by amendment.

Details—See issue of April 19.

Offering—Price to public will be filed by amendment.

Underwriters—Goldman, Sachs & Co. is named principal underwriter.

FAIRCHILD ENGINE AND AIRPLANE CORP. April 11 filed a registration statement for 90,000 shares of $2.50 cumulative preferred stock (no par). The shares are convertible at the option of the holder prior to May 1, 1955 into common stock at a price to be filed by amendment.

Details—See issue of April 19.

Offering—The price to the public will be filed by amendment.

Underwriters—Smith, Barney & Co. head the underwriters, with the names of others to be filed by amendment.

TUESDAY, MAY 1

UNITED STATES PLYWOOD CORP. April 12 filed a registration statement for 100,000 shares of common stock (par $1).

Details—See issue of April 19.

Offering—Price to the public will be filed by amendment.

Underwriters—Eastman, Dillon & Co., is principal underwriter, with names of others to be filed by amendment.

MOBILE GAS SERVICE CORP. April 12 filed a registration statement for 100,000 shares of common stock (no par). The shares are issued and outstanding and owned by Consolidated Electric & Gas Co.

Details—See issue of April 19.

Offering—Offering price to the public will be filed by amendment.

Underwriters—The shares are to be offered for sale at competitive bidding by Consolidated. Names of the underwriters will be filed by amendment.

WEBSTER-CHICAGO CORP. April 12 filed registration statement for 106,400 shares common stock (par $1). Of the total 45,000 shares are being sold by the company and 61,400 shares by certain stockholders.

Details—See issue of April 19.

Offering—The price to the public is .75 per share.

Underwriters—Principal underwriters are railsford & Co. and Shillinglaw, Bolger & Co., Inc., both of Chicago.

MORRISON-KNUDSEN CO., INC., April 12 filed a registration statement for 4,000 ares series M 5% and 3,000 shares series 6% cumulative preferred stocks both 100 par value; $100,000 series G 3% and 00,000 series Q 3% certificates.

Details—See issue of April 19.

Offering—The preferred stock will be sold at par. The certificates also will be sold at par.

Underwriters — Wegener & Daly, Inc., who, is underwriter for the preferred stock. The certificates will be sold through officers and employees of the company.

WEDNESDAY, MAY 2

TENNESSEE GAS & TRANSMISSION CO. il 13 filed a registration statement for ,000,000 first mortgage pipe line bonds, % series due 1965 and 75,000 shares of % cumulative preferred stock, par $100.

Details—See issue of April 19.

Offering—Price to the public will be filed by amendment.

Underwriters—Dillon, Read & Co., Inc., Glore, Forgan & Co. and White, Weld & Co. are named principal underwriters, with names of others to be filed by amendment.

BALTIMORE PORCELAIN STEEL CORP. April 13 filed a registration statement for 100,000 shares of $5 cumulative convertible preferred stock (par $5) and 100,000 shares of common (par 10 cents).

Details—See issue of April 19.

Offering—The price to the public is $5 per unit consisting of one share of preferred and one share of common stock.

Underwriters—Kobbe, Gearhart & Co., Inc., and Newburger & Hano are principal underwriters.

THURSDAY, MAY 3

LINK-BELT CO. April 14 filed a registration statement for 100,000 shares of common stock (no par).

Details—See issue of April 19.

Offering—Waivers of preemptive rights with respect to a number of shares of common stock to be filed later of the 100,000 shares registered have been received from the holders of outstanding common stock. The company is offering to the holders of the balance of the common stock rights to subscribe to new common at a price to be filed by amendment at the rate of 13½ shares for each 100 shares held. The underwriters have purchased and are offering the common stock to which waivers have been received, and will also purchase any shares not subscribed for by stockholders.

Underwriters — Kidder, Peabody & Co., heads the list of underwriters, with names of others to be filed by amendment.

SATURDAY, MAY 5

RUSS BUILDING CO. has filed a registration statement for $2,000,000 4¼% 20-year sinking fund debentures due 1965.

Address—San Francisco, Cal.

Business—Operating office building.

Offering—Price to the public will be filed by amendment.

Proceeds—Redemption of 6% first mortgage sinking fund gold bonds series A due 1951.

Underwriters — Blyth & Co., Inc., is named principal underwriter, with others to be named by amendment.

Registration Statement No. 2-5704. Form S-1. (4-16-45). Registration statement originally filed in San Francisco.

SUNDAY, MAY 6

FRED B. PROPHET CO. has filed a registration statement for 100,000 shares of common stock (par $1). Shares are issued and outstanding and are being sold by Fred B. Prophet, President, Treasurer and Director.

Address—706 Fisher Building, Detroit, Mich.

Business—Industrial catering business.

Offering—Of the shares registered the underwriters have purchased 86,500 which will be offered to the public at $6.25 a share. The remaining 13,500 shares will be offered by Mr. Prophet to officers, directors and employees of the corporation at $5.25 a share. Any of the 13,500 shares not purchased by such officers, etc., will be purchased and offered to the public by the underwriters at $6.25 a share.

Proceeds—Will go to the selling stockholders.

Underwriters—Smith, Hague & Co., Detroit, and Straus & Blosser, Chicago, are named principal underwriters.

Registration Statement No. 2-5702. Form S-1. (4-17-45).

THERMOID CO. has filed a registration statement for $3,000,000 first mortgage bonds due April 15, 1960, and convertible preferred stock, $2.50 cumulative, par $50. The interest rate on the bonds and the number of shares of preferred will be filed by amendment.

Address—Whitehead Road, Trenton, N. J.

Business—Manufacture and sale of various types of automotive friction and rubber products, etc.

Offering—Price to the public will be filed by amendment.

Proceeds—To redeem at 106 and accrued interest $2,406,000 4¼% first mortgage bonds and $600,000 demand notes, balance will be added to working capital. The notes to be redeemed are guaranteed by the company and were issued by Thermoid Textile Co., a subsidiary, to provide funds for the acquisition by Textile of all of the outstanding stock of Thermoid of California, Inc., and for a loan of $98,000 to the California company to provide it with working capital.

Underwriters—Blyth & Co., Inc. and Estabrook & Co. are the principal underwriters for the bonds. The names of others will be filed by amendment. The name of the stock underwriter will be filed by amendment.

Registration Statement No. 2-5703. Form S-1. (4-17-45).

MONDAY, MAY 7

JOSEPH E. SEAGRAM & SONS, INC. AND DISTILLERS CORP. - SEAGRAMS, LTD. have filed a registration for $50,000,000 20-year debentures due May 1, 1965. The bonds are to be guaranteed unconditionally by Distillers-Corp.-Seagrams, Ltd. Interest rate will be filed by amendment.

Address — 405 Lexington Avenue, New York City.

Business—Company and its subsidiaries distil, blend and market various brands of whiskies and gins.

Offering—Price to the public will be filed by amendment.

Proceeds—Will be applied to pay off $15,000,000 in bank loans of Joseph E. Seagram & Sons, Inc., and subsidiaries and the balance will be added to working capital.

Underwriters—Harriman Ripley & Co., Inc. head the list of underwriters, with names of others to be filed by amendment.

Registration Statement No. 2-5705. Form A-2. (4-18-45).

SOUTHWESTERN ELECTRIC SERVICE CO. has filed a registration statement for $2,375,000 first mortgage bonds, 3⅜% series due 1975; 8,500 shares 4¾% cumulative preferred stock (par $100) and 128,935 shares of common (par $1).

Address—Republic Bank Building, Dallas, Texas.

Business—Company was incorporated on April 14, 1945, to acquire from Southwestern Public Service Co., electric properties serving two groups of communities in the east central portion of Texas.

Offering — Holders of the outstanding common stock of Southwestern Public Service Co. will be given the right to subscribe to the 128,935 shares of common at the rate of one share of common of Southwestern Electric for each five shares of common of Southwestern Public Service. The subscription price will be filed by amendment. The public offering price of any unsubscribed common and of the bonds and preferred stock will be filed by amendment.

Proceeds—A portion of the proceeds will be paid to Southwestern Public Service for the Texas properties and the remainder will be retained by the company as initial working capital.

Underwriters—To be filed by amendment.

Registration Statement No. 2-5706. Form S-1. (4-18-45).

TUESDAY, MAY 8

TEXTRON INC. has filed a registration statement for $5,000,000 15-year 4½% convertible debentures due April 1, 1960. The debentures will be convertible for a period of six years from April 1, 1945, into common stock on the basis of 30 shares of common for each $1,000 principal amount of debentures if conversion takes place between April 1, 1945, and March 31, 1947, and 25 shares in the next two years and 20 shares in the remaining two years.

Address — 808 Turks Head Building, Providence, R. I.

Business—Rayon yarns, etc.

Offering—Price to the public will be filed by amendment.

Proceeds—Approximately $1,930,075 will be used to redeem at 102½ $1,883,000 15 year 5% convertible debentures; $500,000 to purchase from American Associates, Inc., $500,000 of debentures of Newmarket Manufacturing Co.; to repay American Associates the unpaid balance of a loan and to reduce an outstanding bank loan.

Underwriting—Principal underwriters are Blair & Co., Inc., New York, and Maxwell, Marshall & Co., Los Angeles.

Registration Statement No. 2-5707. Form S-1. (4-19-45).

POTOMAC EDISON CO. has filed a registration statement for 63,784 shares of preferred stock (par $100). The dividend rate will be filed by amendment.

Address — 55 East Washington Street, Hagerstown, Md.

Business—Public utility.

Offering—The company will offer the 63,784 shares of preferred stock in exchange for the 29,182 shares of 7% and 34,602 shares of 6% preferred stock now outstanding on a share for share basis with a dividend adjustment in each case and $5 in cash for each share of 7% preferred stock exchanged.

Purpose—For refinancing the outstanding preferred stock.

Underwriters—The company will retain a dealer-manager to aid it in obtaining acceptances of the exchange offer.

Registration Statement No. 2-5708. Form S-1. (4-19-45).

LAISTER-KAUFFMAN AIRCRAFT CORP. has filed a registration statement for 17,702 shares first preferred stock, 6% cumulative (par $25), 262,314 shares class A common (par $1), 250,000 shares class B common (par 5 cents) and 260,136 shares class C common (par 5 cents).

Address—201 North Fourth Street, St. Louis, Mo.

Business—Manufacture of gliders, cargo fuel tanks for airplanes, etc.

Offering—The offering initially will be made to stockholders of the company.

Proceeds—For construction, equipment, development and working capital.

Underwriters—John R. Kauffman Co. is named principal underwriter.

Registration Statement No. 2-5709. Form S-1. (4-19-45).

CITY STORES CO. has filed a registration statement for 125,000 shares of comman stock (par $5). Shares are issued and outstanding and are being offered by Bankers Securities Corp., parent.

Address—1315-17 Walnut Street, Phila., Pa.

Business—Holding company owning directly or indirectly all of a substantial majority of six department stores: Lit Brothers, Phila.; Maison Blanche, New Orleans; Lowenstein's, Memphis; Loveman, Joseph & Loeb, Birmingham; Kaufman Straus, Louisville, and R. H. White, Boston.

Offering—The price to the public will be filed by amendment.

Proceeds—The proceeds will go to the selling stockholder.

Underwriters—Lehman Brothers is named principal underwriter.

Registration Statement No. 2-5710. Form S-1. (4-19-45).

WEDNESDAY, MAY 9

THOMPSON PRODUCTS, INC. has filed a registration statement for 60,000 shares of 4% cumulative preferred stock (par $100).

Address—2196 Clarkwood Road, Cleveland, and 23555 Euclid Avenue, Euclid, O.

Business—Manufacture and sale of a wide range of engines and other parts for automobiles, trucks, tractors, etc., parts for aircraft engines, marine and industrial engines, etc.

Offering — Company is offering 45,000 shares of new preferred to holders of its 45,000 shares of 5% preferred in exchange on a share for share basis plus a cash adjustment being the difference between the offering price of the new preferred and the present $107 redemption price of the 5% preferred. The unexchanged shares and the 15,000 remaining shares will be offered by underwriters at a price to be filed by amendment.

Purpose—Proceds will be used to redeem any unexchanged shares of 5% preferred, to retire $900,000 outstanding notes, and for working capital.

Underwriters—Principal underwriters are Smith, Barney & Co., and McDonald & Co.

Registration Statement No. 2-5711. Form S-1. (3-20-45).

PRINCESS SHOPS, INC., has filed a registration statement for 25,000 shares of 60 cent cumulative dividend preferred stock (par $5) and 25,000 shares of common stock (par 50 cents).

Address—101 West 31st Street, New York City.

Business—Operates shops selling women's and children's wear.

Offering—The stock is being offered in units consisting of one share of preferred and one share of common at $10 per unit.

Proceeds—Proceeds from sale of stock, with other funds of the company, will be used to pay the cost of opening additional stores, inventory and working capital for the new stores, etc.

Underwriters — First Colony Corp. and Childs, Jeffries & Thorndike, Inc. head the underwriters, with the names of others to be filed by amendment.

Registration Statement No. 2-5712. Form S-1. (4-20-45).

HUSSMAN-LIGONIER CO. has filed a registration statement for 30,000 shares $2.25 cumulative preferred stock (no par) with accompanying common stock purchase warrants.

Address—2401 N. Leffingwell Avenue, St. Louis, Mo.

Business—Manufacture of commercial refrigerators and refrigerator display cases, meat grinders and coffee mills, etc.

Offering—Company is offering to holders of its common stock right to subscribe to one share of the new $2.25 preferred for each 5.7 shares of common held at a price to be filed by amendment.

Proceeds—Net proceeds will be applied to reimburse company for funds set aside or used to redeem and cancel all the 9,870 shares of preferred series of 1936 at $53 per share and accrued dividends, estimated to require $529,895; $500,000 for expansion of manufacturing facilities and the balance added to working capital.

Underwriters—W. E. Hutton & Co. is named principal underwriter.

Underwriters will purchase unsubscribed stock and offer it to the public at a price to be filed by amendment.

Registration Statement No. 2-5713. Form S-1. (4-20-45).

SAN JOSE WATER WORKS has filed a registration statement for 79,739 shares of common stock (par $25). The shares are issued and outstanding and were purchased by the underwriters from General Water Gas & Electric Co.

Address—374 West Santa Clara Street, San Jose, Cal.

Business—Public utility water company.

Offering—The price to the public will be filed by amendment.

Proceeds—Will go to the selling stockholders.

Underwriters — Union Securities Corp., Harriman Ripley & Co., Inc., W. C. Langley & Co., Hornblower & Weeks and Kuhn, Loeb & Co., who purchased the shares.

Registration Statement No. 2-5721. Form S-2. (4-20-45).

CALIFORNIA WATER SERVICE CO. has filed a registration statement for 116,568 shares of common stock (par $25). The shares are issued and outstanding and were purchased by the underwriters from General Water Gas & Electric Co.

Address—374 West Santa Clara Street, San Jose, Cal.

Business—Public utility water company.

Offering—The price to the public will be filed by amendment.

Proceeds—Will go to the selling stockholders.

Underwriters — Union Securities Corp., Harriman Ripley & Co., Inc., W. C. Langley & Co., Hornblower & Weeks and Kuhn, Loeb & Co., who purchased the shares.

Registration Statement No. 2-5722. Form S-2. (4-20-45).

THURSDAY, MAY 10

HINDE & DAUCH PAPER CO. has filed a registration statement for 35,900 shares of $4 cumulative convertible preferred stock (par $100) and 119,666⅔ shares of common (par $10). The latter are being registered in event of the conversion of the preferred stock.

Address—407 Decatur Street, Sandusky, Ohio.

Business — Principal business manufacture and sale of corrugated and solid fibre boxes and packing materials, etc.

Offering—Company is offering to holders of its 35,900 shares of $5 cumulative convertible preferred right to exchange such shares, on a share for share basis, subject to certain dividend adjustments. Any unsubscribed shares will be purchased by underwriters and offered to public at a price to be filed by amendment.

Proceeds—Any proceeds from sale to underwriters of unexchanged preferred, with additional funds of the company, will be applied to the redemption of any outstanding $5 preferred stock at $105 per share plus accrued dividends.

Underwriters—Glore, Forgan & Co. and Maynard H. Murch & Co. are principal underwriters.

Registration Statement No. 2-5714. Form A-2. (4-21-45).

EKCO PRODUCTS CO. has filed a registration statement for 29,664 shares of cumulative preferred stock, 4½% series (par $100), and 240,000 shares of common (par $5). Shares are issued and outstanding and are being sold by certain stockholders.

Address — 1949 North Cicero Avenue, Chicago.

Business—Producer of bakers' and household tinware, kitchen tools and cutlery.

Offering—Prices to the public will be filed by amendment.

Proceeds—Will go to the selling stockholders.

Underwriting—Union Securities Co. is named principal underwriter.

Registration Statement No. 2-5716. Form S-1. (4-21-45).

COVENTRY GOLD MINES, LTD., has filed a registration statement for 333,333 shares of common stock.

Address — McKinnon Building, Toronto, Canada.

Business—To explore and develop gold mining properties.

Offering—Price to the public is 30 cents per share.

Proceeds—For development, etc.

Underwriting—None named. The company proposes to market its own securities.

Registration Statement No. 2-5717. Form S-3. (4-21-45).

TEXAS POWER & LIGHT CO. has filed a registration statement for $31,500,000 first mortgage bonds due 1975. Interest rate will be filed by amendment.

Address — Interurban Building, Dallas, Texas.

Business—Public utility.

Offering—Bonds will be offered for sale at competitive bidding with the successful bidder naming the interest rate. The price to the public will be filed by amendment. Of the bonds registered $4,900,000 are to be issued to American Power & Light Co., in exchange for a like amount of outstanding 4¾% series due 1965. The balance $26,600,000, will be issued and sold at competitive sale.

Proceeds—The net proceeds from the sale of $26,500,000 of bonds and $2,500,000 of 2% 10-year notes together with company cash, including cash to be received from parent, American Power & Light Co., will be used to redeem company's funded debt at an aggregate expenditure of $40,288,875. Prior to, or concurrently with, the issue of the new bonds and notes, American will make a contribution of $8,500,000 in cash to the common stock equity of Texas. The company proposes to credit this contribution to capital surplus, which, together with the amount of $5,000,000 to be credited to capital surplus through the surrender for cancellation by American of 1,500,000 shares of common stock of the company and the restatement of the remaining 2,500,000 shares of common stock at $6 per share, will create a capital surplus in the amount of $13,500,000. Texas will also make plant adjustments.

Underwriters—To be filed by amendment.

Registration Statement No. 2-5718. Form S-1. (4-21-45).

SATURDAY, MAY 12

A. HARRIS & CO. has filed a registration statement for 7,000 shares of 5½% cumulative preferred stock (par $100).

Address—Main & Akard Streets, Dallas, Texas.

Business—Retail department store.

Offering—The new preferred will be offered initially to the common stockholders at $100 per share on the basis of one share of preferred for each share of common. Any shares not subscribed will be offered pro rata to the former holders of the 7% preferred shares which shares have been called for redemption on May 1, 1945. Any balance will be offered to the public by the underwriter at $102.

Proceeds—Of the net proceeds $525,000 will be applied to the retirement of company's 7% preferred stock at $105 per share and $145,000 will be used for general corporate purposes.

Underwriters—Dallas Rupe & Son of Dallas, Texas.

Registration Statement No. 2-5720. Form A-2. (4-23-45).

DATES OF OFFERING UNDETERMINED

We present below a list of issues whose registration statements were filed twenty days or more ago, but whose offering dates have not been determined or are unknown to us.

AIRCRAFT RADIO CORP. on March 31 filed a registration statement for 100,000 shares of common stock, par $1. All of the shares are issued and outstanding and are being sold for the account of certain stockholders.

Details—See issue of April 5.

Offering—Price to the public will be filed by amendment.

Underwriters—F. Eberstadt & Co. is principal underwriter.

AMERICAN ENGINEERING CO. on Feb. 27 filed a registration statement for $3,000,000 5% 15-year sinking fund debentures and 200,000 shares of common stock. Of the stock registered 132,000 shares are issued and outstanding and being sold by stockholders.

Details—See issue of March 8.

Offering—The debentures will be offered at 100 and the common stock at $8.50 per share

Underwriters—Van Alstyne, Noel & Co. heads the underwriting group, with the names of others to be supplied by amendment.

A. P. W. PRODUCTS CO., INC. on Jan. 27 filed a registration statement for $2,000,000 20-year 5% first mortgage sinking fund bonds and 40,000 shares of capital stock (par $5).

Details—See issue of Feb. 1, 1945.

Offering—Holders of outstanding $2,000,000 20-year 6% first mortgage sinking fund bonds due 1948 are given the privilege of tendering their bonds for redemption as of April 1, 1945 at 102½ and interest, or, in the alternative, to assent to an extension of the maturity date to April 1, 1965 and the reduction of interest to 5% per annum and to receive in consideration for such extension $25, the amount equivalent to the 2½% redemption premium, and in addition 20 shares of the company's ($5 par) common stock. The extension offer will expire at noon Feb. 26, 1945. Bonds not tendered for extension will be redeemed at 102½ and accrued interest to April 1, 1945. After the expiration of the extension offer, an amount equal to the unextended 6% bonds are to be offered to the public by the underwriters at the initial offering price of $1,000 "per unit" consisting of $1,000 20-year 5% first mortgage sinking fund bond and 20 shares of common stock.

Underwriters — Allen & Co., Bond & Goodwin, Inc., E. W. Clucas & Co., R. H. Johnson & Co., Schoellkopf, Hutton & Pomeroy, Inc., Buckley Brothers, George R. Cooley & Co., Inc., Brailsford & Co., and Ferris, Exnicios & Co., Inc.

ARKANSAS-MISSOURI POWER CORP. on Dec. 4 filed a registration statement for $2,000,000 first mortgage bonds, series A, 3⅛%, due Dec. 1, 1974.

Details—See issue of Dec. 7, 1944.

Offering—The bonds will be offered for sale at competitive bidding.

ASHLAND OIL & REFINING CO. on April 5 filed a registration statement for 40,000 shares of 4¼% cumulative convertible preferred stock (par $100).

Details—See issue of April 12.

Offering—Company offers holders of its common stock rights to subscribe for the new preferred at price to be filed by amendment at the rate of one share of preferred for each 24.1 shares of common held. The company also offers, subject to the subscription rights granted to the holders of the common, to holders of presently outstanding 5% cumulative preferred the opportunity to exchange their shares for the new preferred on a share for share basis plus a cash payment. Unsubscribed and unexchanged shares will be sold to underwriters to be offered to the public.

Underwriting—A. G. Becker & Co., Inc., Chicago, is named principal underwriter.

ATLANTIC CO. on March 23 filed a registration statement for $10,600,000 5% sinking fund debentures, due April 1, 1980, and 275,000 shares of common stock (no par).

Details—See issue of March 29.

Offering—Under reorganization and recapitalization plan company is offering to the holders of outstanding 6% and 7½% cumulative preferred stocks the privilege of exchanging their shares on the basis of $100 par value of stock for $100 par value of 5% debentures and one share of common stock, and to holders of outstanding 6% Class A preference stock the privilege of exchanging their shares on the basis of $50 par value of stock for $50 par value of 5% debentures and two shares of common stock. The holders of the 6% preferred and 6% Class A stock offering their stock for exchange shall receive dividends on April 1, 1945, at the same rate of dividends paid on the stock on Jan. 1, 1945, but shall receive no dividends thereafter, the debentures bearing interest from such date. Any debentures not issued in exchange for stock shall then be offered to holders of presently outstanding first mortgage 5% sinking fund bonds on the basis of $100 par of debentures plus an amount to be determined by the company not exceeding $3 in cash for each $100 par value of bonds exchanged. The 5% sinking fund bonds are callable at 103. All of the outstanding 5% sinking fund bonds not exchanged for debentures and all of the first mortgage 3% serial bonds shall be called for redemption. The company contemplated that about June 1, 1945, it will issue not exceeding $3,400,000 3% notes and use the proceeds either for the purpose of calling all 3% serial bonds and the outstanding unexchanged 5% sinking fund bonds or to reimburse the company for funds previously used for that purpose. Any debentures not taken in exchange for stocks or bonds may be sold by the company at not less than par plus accrued interest.

Underwriter—Courts & Co., Atlanta, is names as underwriter.

AUTOMOBILE DEALERS INSURORS, INC. on Feb. 19 filed a registration statement for 4,985 shares of preferred stock and 7,470 shares of Class A common stock.

Details—See issue of Feb. 22.

Offering—Preferred and Class A common stock will be offered only to factory authorized automobile dealers and automobile finance men in blocks of one share of preferred and two shares of Class A common for $101 per unit.

Underwriters—None named.

BENDIX HELICOPTER, INC. on Feb. 2 filed a registration statement for 1,400,000 shares of capital stock, par value 50 cents.

Details—See issue of Feb. 8, 1945.

Offering—Of shares registered 1,000,000 are to be offered presently proportionately to holders of outstanding stock on basis of four additional shares for each five shares held at $1.60 per share; 200,000 shares are reserved to be issued when, as and if certain outstanding options are exercised, and 200,000 additional shares are reserved to be issued when, as and if certain stock option warrants to be issued by the corporation to the underwriters are exercised. Such shares of stock as are not subscribed for by the stockholders will be offered to the public by the underwriters at $2 per share.

Underwriters—Kobbe, Gearhart & Co., Inc., and Bond & Goodwin, Inc., are named principal underwriters.

BLUEFIELD SUPPLY CO on Feb. 16 filed a registration statement for 4,990 shares of common stock, par $100.

Details—See issue of Feb. 22.

Offering—The offering price $100 per share. New common is being offered to present stockholders on a pro rata basis of their holdings as of March 15, 1945.

Underwriters—None named.

CALIFORNIA WATER & TELEPHONE CO. on March 27 filed a registration statement for 107,000 shares of $1.20 cumulative preferred (par $25) and 9,672 shares common ($25 par).

Details—See issue of April 5.

Offering—New preferred will be offered for exchange to holders of 100,000 shares of 6% cumulative ($25 par) preferred on share for share basis. Unexchanged shares and the 7,000 additional shares of preferred and 9,672 shares of common will be offered through underwriters to public, the preferred at $27.50 per share and the common at $36 per share.

Underwriters — Blyth & Co., Inc., is named principal underwriter.

CAROLINA POWER & LIGHT CO. on March 16 filed a registration statement for 156,158 shares of $5 preferred stock (no par).

Details—See issue of March 22.

Offering — The 156,158 shares of $5 preferred stock are to be offered, share for share in exchange for not more than 90% of the 93,553 shares of $7 preferred and 79,955 shares of $6 preferred now outstanding. All presently outstanding $7 and $6 preferred will be retired either by exchange or by redemption at $110 per share plus dividends to date of redemption. Company proposes to make a cash adjustment which, together with dividends receivable on the $5 preferred stock, will give each stockholder who exercises the exchange privilege a dividend at rate of $7 per share per annum or $6 per share per annum, respectively, up to respectively up to the redemption date of these stocks.

Kirchofer & Arnold and R. S. Dickson & Co., Inc. are dealer managers.

CENTRAL OHIO LIGHT & POWER CO. on Dec. 28 filed a registration statement for 11,972 shares of preferred stock, cumulative ($100 par). The dividend rate will be filed by amendment.

Details—See issue of Jan. 4, 1945.

Offering—Company proposes to invite proposals for services to be rendered to it in obtaining acceptances of the exchange offer of new preferred stock for old preferred and for the purchase from it of such of the 11,972 shares as are not exchanged pursuant to the exchange offer.

CONSOLIDATED RETAIL STORES, INC. on April 6 filed a registration statement for 30,000 shares of $2.75 cumulative preferred stock (no par).

Details—See issue of April 12.

Offering—The company is giving to the holders of its outstanding 8% cumulative preferred stock, par $100, the right to exchange such stock for $2.75 cumulative preferred on the basis of 2.30 shares of $2.75 cumulative preferred, plus certain cash payment by the company, for each share of 8% preferred. Unsubscribed shares will be purchased by underwriters and offered to the public at $50 per share.

Underwriting—Central Republic Co., Inc.; Peltason, Tenenbaum Co.; Scherck, Richter & Co.; Stix & Co.; G. H. Walker & Co.; I. M. Simon & Co., and Stein Bros. & Boyce.

DIANA STORES CORP. on Feb. 5 filed a registration statement for 40,000 common stock purchase warrants and 40,000 shares of common stock par value $1 per share, issuable pursuant to these warrants.

Details—See issue of Feb. 15, 1945.

Offering—40,000 shares of common stock are issued and outstanding and are not offered for account of company. Company is offering 40,000 shares of common issuable upon the exercise of the stock purchase warrants and the payment of $7 per share.

Underwriters—Not named.

ELECTROMASTER, INC. on March 29 filed a registration statement for 107,923 shares of common stock, par $1. All of the stock is issued and outstanding and is owned by Nash-Kelvinator Corp. (being 55.17% of total outstanding stock).

Details—See issue of April 5.

Offering—Offering price to the public is $8 per share.

Underwriters—S. R. Livingstone & Co., and Mercier, McDowell & Dolphyn, both of Detroit.

EXPRESO AEREO INTER-AMERICANO, S. A., on March 30 filed a registration statement for 300,000 shares of common stock.

Details—See issue of April 5.

Offering—Price to public is $3 per share.

Underwriters—Van Alstyne, Noel & Co. is named principal underwriter.

GENERAL WATERWORKS CORP. on March 31 filed a registration statement for 10,000 shares of 5% preferred stock, cumulative (par $100).

Details—See issue of April 5.

Offering—Price to the public is $100 per share.

Underwriters — Butcher & Sherrerd, Phila., Robert Hawkins & Co., Boston, and Southern Securities Corp., Little Rock, Ark.

GEORGIA POWER & LIGHT CO. on March 30 filed a registration statement for $2,500,000 first mortgage bonds series due 1975.

Details—See issue of April 5.

Offering—Offering price to the public will be filed by amendment.

Underwriters—The bonds are to be sold under the Commission's competitive bidding rule and names of underwriters will be filed by amendment.

THE HUB, HENRY C. LYTTON & CO. on March 15 filed a registration statement for 130,000 shares of common stock (par $1). Of the total 30,000 shares are being offered by certain stockholders.

Details—See issue of March 22.

Offering—The offering price to the public will be filed by amendment.

Underwriters—The principal underwriter is Allen & Co., with names of others to be filed by amendment.

KOBACKER STORES, INC. on April 6 filed a registration statement for 55,781 cumulative preferred shares and 175,000 common shares. Of the stock registered 175,000 common and 15,781 shares of the preferred are issued and outstanding and are being sold for the account of certain stockholders. Statement also covers 80,000 common shares issuable upon exercise of warrants.

Details—See issue of April 12.

Offering—The offering price to the public is $25 per share for the preferred and $9 per share for the common.

Underwriting—Van Alstyne, Noel & Co. is named principal underwriter, with names of others to be filed by amendment.

LAKE SUPERIOR DISTRICT POWER CO. on March 31 filed a registration statement for 133,500 shares of common stock, par $20. The stock is issued and outstanding and is owned by North West Utilities Co. which will offer the stock for sale at competitive bidding.

Details—See issue of April 5.

Offering—Price to the public will be filed by amendment.

Underwriters—Names will be filed by amendment.

LASALLE YELLOWKNIFE GOLD MINES, LTD., on March 30 filed a registration statement for 314,512 shares, par value $1.

Details—See issue of April 5.

Offering — Of total registered 200,000 shares consist of a new series of shares and will be sold at $1 per share. There is also included in the registration 114,512 shares which were sold to United States residents prior to registration, and concerning which an offer of recision is to be made.

Underwriters — Company proposes to market its own securities.

LEAR, INC., on March 29 filed a registration statement for 450,000 common shares 50 cents par value. Of the total 50,000 shares are being sold by the trust created by William P. Lear for his children.

Details—See issue of April 5.

Offering—Stock will be sold to the public at $5 per share.

Underwriters—Kobbe, Gearhart & Co.

LOS ANGELES TRANSIT LINES on March 30 filed a registration statement for 429,200 shares of common stock (par $10). All of the shares are outstanding and are being optioned to underwriters by American City Lines, Inc.

Details—See issue of April 5.

Offering—Offering price to public will be filed by amendment.

Underwriters—Blyth & Co., Inc.; Bateman, Eichler & Co.; Alex. Brown & Sons; Hill, Richards & Co.; W. C. Langley & Co.; Lazard Freres & Co.; Laurence M. Marks & Co.; Mason Bros.; Pacific Co. of California; Reynolds & Co.; Shuman, Agnew & Co.; William R. Staats Co.; Stein Bros. & Boyce; Wertheim & Co., and Dean Witter & Co.

MILLER-WOHL CO., INC., on March 31 filed a registration statement for 30,000 shares 5% cumulative convertible preferred stock (par $50) and 50,000 shares of common (par $1). Of the stock registered 15,000 shares of preferred and 50,000 shares of common are issued and outstanding and are being sold by four stockholders.

Details—See issue of April 5.

Offering—The price to the public will be filed by amendment.

Underwriters—The principal underwriter is Allen & Co.

MUTER CO. on March 30 filed a registration statement for 133,000 shares of common stock, par $1. Of total 108,000 shares are being offered to the public, of which 18,000 shares are by company and 90,000 shares by a stockholder. The statement also covers 25,000 shares upon exercise of stock purchase warrants entitling holder to purchase common stock within two years of offering date at $7.50 per share.

Details—See issue of April 5.

Offering—Public offering price of the 108,000 shares is $5 per share.

Underwriters—Hicks & Price, Chicago, is named principal underwriter.

NEWCOR MINING & REFINING, LTD., on March 10 filed a registration statement for 500,000 shares of common stock without par value.

Details—See issue of March 15.

Offering—Price to the public is $1 per share.

Underwriters — Tellier & Co. is named principal underwriter.

NU-ENAMEL CORP. on March 30 filed a registration statement for 50,000 shares 60-cent cumulative dividend convertible preferred stock, par $5.

Details—See issue of April 5.

Offering—Company is initially offering new preferred to holders of its common stock for subscription at $10 per share on basis of one share of preferred for each 6½ shares of common. Unsubscribed shares will be offered to public by underwriter at $10 per share.

Underwriters—Floyd D. Cerf Co. of Chicago, is named principal underwriter.

OLD STAR DISTILLING CORP. on Aug. 14, 1944 filed a registration statement for 5,000 shares of $100 preferred stock, noncumulative and non-participating. **Price to public will be $110 per share.**

Details—See issue of Aug. 24, 1944.

Underwriters—No underwriter named.

Withdrawal — Request for withdrawal filed March 30.

H. K. PORTER CO., INC., on March 31 filed a registration statement for 50,000 shares of cumulative preferred stock, 5% series, $50 par, with non-detachable common stock purchase warrants attached, and 45,000 shares of common ($5 par). The 45,000 shares of common are issued and outstanding and are being sold by T. M. Evans, President.

Details—See issue of April 5.

Offering—Offering price to the public will be filed by amendment.

Underwriters—Blair & Co., Inc., is named principal underwriter, with names of others to be filed by amendment.

RALSTON PURINA CO. on April 4 filed a registration statement for 100,000 shares of preferred stock, series A (par $100). Dividend rate will be filed by amendment.

Details—See issue of April 12.

Offering—Price to the public will be filed by amendment.

Underwriting—Kidder, Peabody & Co. and Goldman, Sachs & Co. are named principal underwriters.

REEVES-ELY LABORATORIES, INC., (formerly Reeves Sound Laboratories, Inc.) on March 23 filed a registration statement for 550,000 shares of 30-cent cumulative convertible preference stock ($4 par).

Details—See issue of March 29.

Offering—The offering price to the public will be filed by amendment.

Underwriters—H. M. Byllesby & Co., heads the underwriting group, with names of others to be supplied by amendment.

ST. JOSEPH LIGHT & POWER CO. on **Feb.** 28 filed a registration statement for 13,056 shares of Class A 5% cumulative preferred stock, par $100.

Details—See issue of March 8.

Offering—The company is offering 13,056 shares of its Class A 5% preferred shares in conversion share for share of the outstanding 5% cumulative preferred shares held by others than Cities Service Power & Light Co.

Underwriters—The company has retained Estabrook & Co., G. H. Walker & Co. and Prescott, Wright, Snider Co. as exchange agents to secure and procure consents of preferred shareholders to the conversion.

The company also proposes to refund the $4,806,000 first mortgage bonds, 4½% series due 1947 and to reduce the aggregate principal amount of its indebtedness to $3,750,000 by redeeming the outstanding bonds and issuing $3,750,000 of new bonds. The bonds will be sold at competitive bidding.

SOUTHWESTERN INVESTMENT CO. on March 12 filed a registration statement for 12,500 shares preferred stock, convertible, no par, non-participating with cumulative dividend rights of $1 per share per annum, and 60,000 shares of common, no par. Of the latter 20,000 shares is to be reserved to meet conversion requirements of the preferred.

Details—See issue of March 15.

Offering—Holders of the $1.20 preferred stock have been given the option to exchange their stock on a share for share basis for the $1 preferred stock. Any of the $1 preferred not issued in exchange will be offered to the public at $20 per share. Corporation also is offering 11,822 authorized but unissued shares of common at $12.50 per share.

Underwriters—None named.

TEXAS ELECTRIC SERVICE CO. on March 2 filed a registration statement for $18,000,000 first mortgage bonds series due 1975 and 68,875 shares of preferred stock, par $100. The interest rate on bonds and dividend rate on preferred stock will be filed by amendment.

Details—See issue of March 8.

Offering—The company is offering to exchange the new preferred stock for outstanding $6 preferred stock on a share for share basis plus an amount in cash equal to the difference between $110 and the public offering price of the new preferred stock. The bonds and unexchanged shares will be sold at competitive bidding, with the price to the public to be filed by amendment.

Underwriters—The names will be filed by amendment.

TIDE WATER ASSOCIATED OIL CO. on April 6 filed a registration statement for 300,000 shares of cumulative preferred stock. The dividend rate will be filed by amendment.

Details—See issue of April 12.

Offering—The company offers to the holders of its 500,000 shares of $4.50 cumuto exchange such shares for the new prelative convertible preferred stock the right ers with names of others to be filed by amendment.

Underwriting—Kuhn, Loeb & Co., and Lehman Brothers are principal underwritferred stock on a share for share basis, subject to allocation on a pro rata basis if necessary. Such shares as are not exchanged will be sold to underwriters for offering to the public.

UNIVERSAL CAMERA CORP. on March 19 filed a registration statement for 663,500 shares Class A common stock, par value one cent a share, with Class A common stock purchase warrants. Of the total 530,500 are issued and outstanding and are being sold by certain stockholders.

Details—See issue of March 29.

Offering—The initial offering price is $5 per share. Of the 133,000 shares being offered for account of company, 20,000 are to be offered to employees at $4.25 per share. Shares not subscribed for by employees will be sold to public through underwriters along with the rest of the public offering. For every ten shares of common stock bought, purchasers, other than employees, will receive warrants to subscribe to one share of common stock, at $5 per share, on or before Dec. 31, 1948. Employees will receive such warrants for each five shares of common stock purchased.

Underwriters — Floyd D. Cerf Co. is named principal underwriter.

Hearing set for April 25 by SEC.

UNIVIS LENS CO. on March 12 filed a registration statement for 42,702 common shares, (par 50 cents). Of the total 12,000 shares are being sold by the company and 30,502 shares are issued and being sold by stockholders.

DIVIDEND NOTICES

The Board of Directors
of the

CONSOLIDATION COAL COMPANY

(Incorporated in Delaware)

at a meeting held today, declared a dividend of 25 cents per share on the Common Stock of the Company, payable on May 15, 1945, to stockholders of record at the close of business on May 5, 1945. Checks will be mailed.

C. E. BEACHLEY,
Secretary-Treasurer

April 24, 1945

INTERNATIONAL HARVESTER COMPANY

Quarterly dividend No. 107 of one dollar and seventy-five cents ($1.75) per share on the preferred stock payable June 1, 1945, has been declared to stockholders of record at the close of business May 5, 1945.

SANFORD B. WHITE
Secretary

SOUTHERN RAILWAY COMPANY
New York, April 24, 1945.

A regular quarterly dividend of Seventy-five Cents (75c.) per share on 1,298,200 shares of Common stock without par value of Southern Railway Company, has today been declared, out of the surplus of net profits of the Company for the fiscal year ended December 31, 1944, payable on Friday, June 15, 1945, to stockholders of record at the close of business Tuesday, May 15, 1945.

Checks in payment of this dividend will be mailed to all stockholders of record at their addresses as they appear on the books of the Company unless otherwise instructed in writing.

J. J. MAHER, *Secretary.*

MEETING NOTICE

NORFOLK AND WESTERN RAILWAY COMPANY
Roanoke, Virginia, April 3, 1945.
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting of Stockholders of Norfolk and Western Railway Company will be held, pursuant to the By-laws, at the principal office of the Company in Roanoke, Virginia, on Thursday, May 10, 1945, at 10 o'clock A. M., to elect three Directors for a term of three years.

Stockholders of record at the close of business April 20, 1945, will be entitled to vote at such meeting.

L. W. COX, *Secretary.*

Details—See issue of March 22.

Offering—The price to the public is $6.50 per share.

Underwriters — Allen & Co. is named principal underwriter.

VIRGINIA ELECTRIC & POWER CO. on March 23 filed a registration statement for $33,000,000 first and refunding mortgage bonds Series E due March 1, 1975.

Amount of Offering Increased—In an amendment filed March 26 company increased amount to be offered to $59,000,000. The interest rate will be filed by amendment.

Details—See issue of March 29.

Underwriters—The bonds will be sold at competitive sale and the names of the underwriters filed by amendment.

WALTHAM WATCH CO. on March 30 filed a registration statement for $3,881,040 convertible 5% income debentures subordinated) due May 1, 1975 and 244,000 shares common stock, class B (no par).

Details—See issue of April 5.

Offering—The securities are being offered to stockholders pursuant to a plan of recapitalization subject to plan being approved by stockholders. Holders of presently outstanding 32,342 shares of 6% preferred, par $100, would receive for their shares, with all accumulated dividends, $120 of debentures. Plan also provides that each share of class A stock will receive 10 shares of class B and that each share of present class B will be split two for one. Capitalization after consummation of the plan would consist of $3,881,040 of debentures, convertible into class B stock at $25 per share, and 327,737½ shares of class B common stock, which would be the sole equity stock.

Underwriters—Union Securities Corp. and A. C. Allyn & Co., Inc., are named principal underwriters, with others to be named by amendment.

WELLS-GARDNER & CO. on March 30 filed a registration statement for 160,000 shares of common stock, par $1. The shares are issued and outstanding and are being sold for the account of seven stockholders.

Details—See issue of April 5.

Offering—Price to the public is $8.25 per share.

Underwriters—Paul H. Davis & Co. and Shillinglaw, Bolger & Co., Inc., both of Chicago, are named principal underwriters.

WEST VIRGINIA WATER SERVICE CO. on March 5 filed a registration statement for 14,000 shares of $4.50 cumulative preferred stock and 100,000 shares of common. The preferred stock only represents a new issue.

Details—See issue of March 15.

Offering—Company will sell preferred stock to the underwriters who will offer same to holders of present $6 cumulative preferred at $104 per share. Any stock not subscribed by the stockholders will be offered to the public at $104 a share.

Offering price of common stock to the public will be $13.50 per share.

Underwriters—Allen & Co. and Shea & Co.

WHITE COUNTY WATER CO. on March 30 filed a registration statement for $276,000 first mortgage 4% refunding bonds.

Details—See issue of April 5.

Offering—Price to the public 100.

Underwriters — Pyramid Life Insurance Co., Little Rock, Ark.

Registration Statement withdrawn April 17.

FOREIGN SECURITIES
MARKETS
Teletype
NY 1-971
Telephone
HAnover
2-0050
CARL MARKS & CO. INC.
FOREIGN SECURITIES
SPECIALISTS
50 Broad Street • New York 4, N.Y.
AFFILIATE: CARL MARKS & CO. Inc. CHICAGO

"Our Reporter on Governments"

By JOHN T. CHIPPENDALE, JR.

The Treasury, in not offering the intermediate-term 2% bonds in the Seventh War Loan, and by prohibiting the insurance companies and savings banks from selling the medium-term issues acquired in previous drives, while offering the 1½% bonds only to individuals and to a limited extent to banks with savings deposits, has modified extensively it's previous policy and has created an entirely new pattern of financing. . . . If the Treasury is able to adhere to this policy it will achieve the following results:

(1) Lower cost of financing and eliminate the constant turnover of government bonds by insurance companies and savings banks.
(2) Finance the deficit without the aid of the banks.
(3) Laid the foundation for the sale of lower coupon obligations to the banks after hostilities cease, when the ability of ultimate investors to absorb government securities is diminished.
(4) Ascertain the absorptive capacity of the market outside of the banks.

POSES SEVERAL QUESTIONS

This departure by the Treasury from the previously established method of war financing raises the question: will the new pattern be successful . . . ?

Also, would one successful War Loan drive under the new method be sufficient proof of the ability of the Treasury to finance its needs without bank credit . . . ?

It was pointed out by informed students of the money markets that the Treasury in the six previous War Loan drives was not able to meet its needs through the sale of its obligations to ultimate investors and had to rely heavily on the banks. . . . Exclusive of the purchase of securities by Federal, it is indicated that the commercial banks, during the several drives, were responsible for between 36% to 47% of the total amounts raised, which shows their importance in these drives. . . . Also figures showing the increase in the total government debt for the calendar years reveals that in 1942 the portion of the debt increase taken by the banks was 49%; in 1943 it was 42%; in 1944 it was about 37%. . . .

Since the Treasury has had to rely so extensively on the banks in the past, there is considerable doubt as to whether the government will be able to meet its needs in the future without these institutions. . . .

WHAT OF THE FUTURE?

If the Treasury should succeed in attaining its goal in the Seventh War Loan, will this new policy permit the financing of future deficit . . . ? It was pointed out that if these deficits were small, it might be possible for the Treasury to do this, but it is indicated that the excess of expenditures over receipts will continue to be large for a considerable period. . . . The end of the war in Europe will not bring any drastic reduction in expenditures, maybe $15 to $20 billions at the most, while revenues will also decrease, so that the deficit for 1945-46 is bound to be substantial. . . .

Also it is believed that for at least one year after the end of the war in the Pacific the deficit will be large, so that no material change for some time is indicated in the needs of the Treasury for funds. . . .

Also, during the reconversion period, redemption of government obligations owned by individuals and corporations will conceivably be large. . . . Based on these assumptions, it is believed that after V-E Day the Treasury will be more dependent on the banks than before. . . . This leads to the query as to whether the Treasury will continue in the future the policy initiated in the Seventh War Loan, even if the present drive should exceed the quotas set. . . .

THE MARKET

The taxable obligations again featured the government bond market with new all-time highs being made in the 2% group, and the unrestricted 2¼s and 2½s. . . .

While the 2s registered new highs, the pace of the advance of these issues has slowed considerably and it is indicated that the major part of the upward trend in some of these securities has already taken place. . . .

It is believed that developments during the coming War Loan Drive will have an important effect on this group of securities. . . . However, pending some clarification of this situation, fluctuations in the 2s from present levels will probably not be too marked in either direction. . . . The sharpest demand was for the 2½s due 1956/58 and 2½s due 1967/72, with both of these issues advancing the limit of 8/32s during two trading sessions. . . . The volume of transactions we reportedly light. . . .

Because of the heavy demand and the lack of offerings in these 2½s, the spread between the bid and asked prices widened to about ⅛ of a point, compared with the usual close market of 1/32 to 2/32s. . . .

If the present pattern of financing is to be continued, is it likely that individuals and corporations will be sellers of the unrestricted 2½s at these prices . . . ?

INCREASE DEMAND

The great demand that would be created among the deposit banks under this new financing pattern, for the longer term high coupon obligations, should result in much better than present prices for the unrestricted issues, particularly the 2½s due 1967/72. . . .

In some quarters the opinion is held that the insurance companies and savings banks may be sellers of the 2½s due 1956/58 and the 2½s due 1967/72, with the proceeds to be reinvested in the outstanding restricted 2½s. . . .

This would increase the supply of the long-term issues available for purchase by commercial banks and at the same time it would make the market for these bonds more orderly. . . . However, it is doubted that this will take place unless the government gives approval to such changes, as being "normal portfolio adjustments." . . . On the other hand, if any change in policy were to be allowed by the Treasury it is believed that these institutions would prefer to sell the 2s and hold the 2½s. . . .

BUYING BY RESERVE BANKS

Although the amount of securities purchased were not large, the Federal Reserve banks, for the week ended April 18, the first time in many months, reported an increase in their holdings of government bonds. . . . It is indicated that Federal stepped in during the recent weakness in the restricted 2½s and took on some of these bonds that came into the market. . . .

It was reported that individuals and corporations are letting out these securities at present levels to adjust their position to the new offering that will be available in the near future. . . .

It is believed that there will be further sales of the restricted 2½s as we move along in the drive, with Federal probably the principal buyer. . . .

Underwriters—
Secondary Market and
Wholesale Distributors
OVER-THE-COUNTER SECURITIES
Kobbé, Gearhart & Company
INCORPORATED
Members New York Security Dealers Association
45 NASSAU STREET, NEW YORK 5
TELEPHONE REctor 2-3600 PHILADELPHIA TELEPHONE Enterprise 6015 BELL TELETYPE NEW YORK 1-576

Eastern States, Pfd.
Pressurelube, Inc.
Ill. Power Div. Arrears
U. S. Radiator, Pfd.
Central of Georgia
Macon Northern 5's
W. T. BONN & CO.
120 Broadway New York 5
Telephone COrtlandt 7-0744
Bell Teletype NY 1-886

An
Attractive
Low Priced
Dividend Payer
Electronic Company
Common Stock
Report Available on Request
HUGHES & TREAT
40 Wall St., New York 5, N. Y.
Tel. BO 9-4613 Tele. NY 1-1448

Specializing in Unlisted Securities
BANK — INSURANCE
PUBLIC UTILITY — INDUSTRIAL — REAL ESTATE
LUMBER & TIMBER
BONDS, PREFERRED AND COMMON STOCKS
BOUGHT — SOLD — QUOTED
REMER, MITCHELL & REITZEL, INC.
208 So. La Salle St., Chicago 4
RANdolph 3736
WESTERN UNION TELEPRINTER "WUX" BELL SYSTEM TELETYPE CG-989

New England Pub. Service, Pfds.
Majestic Radio
Corning Glass
Dumont Laboratories
Grayson Stores
Bell & Howell
Foreign Securities
M. S. WIEN & CO.
Members N. Y. Security Dealers Ass'n
40 Exchange Pl., N. Y. 5 HA. 2-8780
Teletype N. Y. 1-1397

Finch Telecommunications
National Service Co.
Sprague Electric
United Elastic Corp.
Keyes Fibre
Oceanic Trading
•
RALPH F. CARR & CO.
BOSTON 9, MASS.
Boston Hubbard 6442 New York Hanover 2-7913 Teletype BS 328

We specialize in all
Insurance and Bank Stocks
Industrial Issues
Investment Trust Issues
Public Utility Stocks and Bonds
TEXTILE SECURITIES
Securities with a New Eng. Market
Frederick C. Adams & Co.
Specialists in
New England Unlisted Securities
24 FEDERAL STREET, BOSTON 10
Established In 1922
Tel. HANcock 8715 Tele. BOston 22

Announcements
of personnel and office location changes deserve care in preparation. We will be glad to suggest appropriate forms suitable for such advertisements.
Consultation invited
Albert Frank - Guenther Law
Incorporated
Advertising in all its branches
131 Cedar Street New York 6, N.Y.
Telephone COrtlandt 7-5060
Boston Chicago Philadelphia San Francisco

INDEX

Page
Bank and Insurance Stocks........1840
Broker-Dealer Personnel Items....1844
Business Man's Bookshelf..........1847
Calendar of New Security Flotations.1854
Canadian Securities 1848
Dealer - Broker Investment Recommendations and Literature.......1830
Municipal News and Notes.........1849
Mutual Funds 1842
NSTA Notes 1828
Our Reporter's Report.............1833
Our Reporter on Governments.....1856
Public Utility Securities...........1839
Railroad Securities 1844
Real Estate Securities.............1838
Securities Salesman's Corner.......1833
Tomorrow's Markets—Walter Whyte Says 1838

Ohio Securities Section on page 1846.

Empire Steel
Corporation
Annual Report Available
Wilmington Chemical
Corp.
Memo on Request
Hill, Thompson & Co., Inc.
Markets and Situations for Dealers
120 Broadway, New York 5
Tel. REctor 2-2020 Tele. NY 1-2660

Final Edition ESTABLISHED OVER 100 YEARS In 2 Sections—Section 2

The Commercial and FINANCIAL CHRONICLE

Reg. U. S. Pat. Office

Volume 161 Number 4380 New York, N. Y., Thursday, April 26, 1945 Price 60 Cents a Copy

The Financial Situation

In more than one instance the New Deal has adopted and adapted foreign techniques, but in none have they gone further—and, we fear, been more successful—than in their employment of the "party line." At bottom, the "party line" technique is simply that of deciding at headquarters what the people should believe and then creating a situation tending to lead to the uncritical acceptance of such beliefs as are chosen for the individual.

Made in Russia

It was the Russian communist organization which, so far as we are aware, first made extensive and successful use of this technique. Hitler in Germany was an effective imitator—whether consciously or not is of no great consequence. It is, of course, common observation that all Russians think and talk precisely alike about all current issues of importance. It would be a waste of time to ask any Russian what he thinks about anything—assuming, of course, that it is already known what the "party line" is on the subject. In the degree that Hitler was able to make good and faithful Nazis of the German people, the same can be said of the rank and file of Russians. The techniques employed in these countries for producing this "unity" among the respective peoples are well known. One method was the simple one of killing off or otherwise removing all those who did not readily become victims of the "party line." It was effective, naturally, in getting rid of those who proved to be poor disciples, and also in discouraging expression of any independent opinion, or even of doing any independent thinking. It would be an error, however, to suppose that either the Communists or Hitler depended solely upon such a procedure. Had they done so they probably would not

(Continued on page 1860)

The Bretton Woods Proposals

By W. L. HEMINGWAY*

President, Mercantile-Commerce Bank and Trust Co.
Chairman, Advisory Committee on Special Activities,
American Bankers Association

Prominent U. S. Banker, Though Approving the General Objectives of the Bretton Woods Pact, Points Out the Confusing Interpretations of the Meaning and Purposes of the International Monetary Fund. Calls It "a Maze of Technical Phraseology" and Says the Provisions Concerning Exchange Restrictions Need Careful Examination and Clarification. Contends Adoption Would Mean a Managed Economy, and Recommends, Instead, Clear-Cut Treaties With Other Nations Regarding Both Trade Relations and Monetary Policies. Says Agreement Should Provide for Fixing Par Values of Currencies and for Encouraging Sound Monetary Relations Between Nations.

W. L. Hemingway

We are told by many that our delegates at Bretton Woods entered into agreements with the other 43 nations and that our failure to adopt them would be a repudiation by us. Not so—these proposals were submitted to the delegates of the 44 United Nations by officials of some of the governments and their advisers of a form of a recommendation or "report of the experts." In extending the invitation to the participating governments to attend the Bretton Woods conference, President Roosevelt stated that "the agreement by the conference upon definite proposals will not be binding either morally or legally on the governments represented, but will be referred to the respective governments for adoption or rejection."

At the executive plenary session on July 20, 1944, when Commission I reported the completed Articles of Agreement for the Fund, Lord Keynes, Chairman of the United Kingdom delegation, said:

> So far as the United Kingdom delegation is concerned we, in common with all other delegations, reserve the opinion of our government on the document as a whole and every part of it. The whole of our pro-

(Continued on page 1860)

---

*An address by Mr. Hemingway before the Economic Club at the Hotel Astor, New York City, April 16 1945.

The San Francisco Conference and Peace

By HERBERT HOOVER*
Ex-President of the United States

Asserting That We Must Hold the Sword Either Alone or Jointly With Others if We Would Maintain Peace, Ex-President Hoover Points Out That the Dumbarton Oaks Plan Is No More Effective in Preventing Aggression Than the Old League of Nations Because of Veto Power of Each of the Great Nations to Prevent Any Designation of Their Own Actions as Aggression. Says It Is Imperative That This be Remedied at San Francisco and Lays Down Nine Proposed Amendments and Additions to Dumbarton Oaks. Praises President Truman's Statement That Great Powers Should Serve and Not Dominate and Calls for a Clear Definition of Aggression. Says True Peace Is a Matter of Spirit and Rests on Moral Forces.

Herbert Hoover

I know I express the sorrow of the American people that Mr. Roosevelt was not spared to guide the San Francisco Conference. The problems remain and we must carry on. In this spirit President Truman has announced that the conference will proceed as planned. And it becomes our duty to give every support to President Truman in his gigantic task.

I was glad to accept your invitation to speak to your Association. Philadelphia has always been devoted to peace. It was founded by a faith of which I am a member; this city is, indeed, the place where my ancestors landed on American soil.

Tonight I propose to explore Dumbarton Oaks proposals in the light of experience, particularly of the League of Nations. Indeed, the time has come to appraise frankly the forces we must meet; to explore them with the lamp of experience. The time has gone by for emotional generalizations, and this is no time to engage in destructive debate.

Three years ago Hugh Gibson and I published a study of world experience in making peace. We made some suggestions of principles from this experience that should be incorporated in any organization to preserve peace. Some of this experience was adopted, some important lessons were either wholly omitted or only weakly accepted in the Dumbarton Oaks proposals. President Roosevelt and Secretary Stettinius have stated that plan is open to amendment.

Three weeks ago I published some suggestions directed to strengthening the Dumbarton Oaks proposals.

It was a great satisfaction that 10 days later most of these suggestions were also put forward by the representatives of the peace committees of the three great religious groups, the Protestants, the Catholics and the Jews.

On the same day Moscow took me to task for these proposals. They obviously did not have my full statement. Anyway, Moscow's argument reminds me of an old Quaker friend who said: "If thee do not repent in a measure and change thy ways considerably, thee will be damned to a certain extent."

The Present Situation

But before I discuss these suggestions I should like to make an

(Continued on page 1862)

---

*An address by Mr. Hoover before the Foreign Policy Association at Philadelphia, April 17, 1945.

Editorial

Page
Financial Situation....................1857

Regular Features
From Washington Ahead of the News....................1857
Moody's Bond Prices and Yields...1868
Items About Banks and Trust Cos..1872
Trading on New York Exchanges...1869
NYSE Odd-Lot Trading....................1869
NYSE Share Values at March 31...1867
NYSE Short Interest at April 13...1861

State of Trade
General Review....................1858
Commodity Prices, Domestic Index.1869
Weekly Carloadings....................1870
Weekly Engineering Construction...1868
Paperboard Industry Statistics.....1870
Weekly Lumber Movement..........1870
Fertilizer Association Price Index...1868
Weekly Coal and Coke Output......1870
Weekly Steel Review....................1867
Moody's Daily Commodity Index....1868
Weekly Crude Oil Production.......1871
Non-Ferrous Metals Market........1869
Weekly Electric Output..............1868
Business Failures in March.........1868
Federal Reserve February Business Indexes....................*1814
Selected Income and Balance Sheet Items, Class I Railways (Jan.)...*1814
February Hotel Sales....................*1815
Federal Debt Limit at March 31...*1815
Dun & Bradstreet's U. S. Trade Barometer....................*1815
Dept. Store Sales in N. Y. District (February)....................*1815

*These items appeared in the "Chronicle" of April 23, on pages indicated.

From Washington Ahead of the News

By CARLISLE BARGERON

Carlisle Bargeron

Now is the time to get in your plug for your favorite Secretary of State, of Labor, of the Treasury, most any of the other jobs around Washington. This is by way of saying that 99% of the names that are appearing in the newspaper speculation these days of men who are to succeed various high officials are based upon pure speculation, and nothing else, except that their names have come to the attention of the particular writer and sound reasonable to him.

What this current speculation constitutes is an idea mill, and there is no mistaking that it will be effective. President Truman reads the newspapers, the men who meet with him read the newspapers. The old Washington idea or propaganda mill is undoubtedly functioning more effectively than it has at any time in some 12 years.

The plain facts are that the President, being wrapped up to his neck in the foreign situation, has had little or no time to think of those with whom he will undoubtedly reshift his cabinet. The most ludicrous story which gained wide circulation, and which presumably is taken as the gospel truth, is the one that Jimmy Byrnes, within 15 or 20 minutes after Mr. Roosevelt's death had become known, had been ordered back to Washington by the new President. If you had been here in Washington and associated with the circumstances of how Mr. Truman, after going over to visit Speaker Sam Rayburn in the House of Representatives, was suddenly called to the White House, the story about Jimmy's being called back by him was impossible on its face.

It was flashed on the news tickers that Jimmy was returning to Washington just about the same time that it was flashed that Truman had been called to the White House. There is no such relationship between Truman and Byrnes as to justify the belief that the first thing Truman thought of, in his tremendous shock, was to get Jimmy Byrnes back here. One can imagine that it was an im-

(Continued on page 1867)

Sound Sense

"If we are not to become an easy and inviting prey to the next well-prepared aggressor, we must be alert to be ourselves prepared to meet what may come."

"What this may be, who can tell? Pilotless aircraft? Automatically guided missiles? Disease germs? Super long-range bombardments with super explosives? Devices not now even envisaged? What can we do to keep such horrors from being unleashed or to protect ourselves against them if they are?

"In order that the United States may be safe it must be just and cooperative in its international dealings, but it must also be strong internally. One aspect of this strength must be scientific preparedness so that we cannot be caught technically at a disadvantage. This is important as never before because no other nation would again attack us unless it were convinced that it would secure a speedy victory by superior technical methods."—Dr. Compton, President of the Massachusetts Institute of Technology.

This is the sound sense of an outstanding scientist. Another essential element of internal strength is a sound, vigorous economy — an economy not strangled or rendered bloodless by reckless social experimentation.

It is our opinion that our safety in the future will be much more effectively assured by such means—and by minding our own business—than by any Dumbarton Oaks or similar schemes.

Nat'l Planning Assoc. Supports Bretton Woods

Its Committee on International Policy Says Rejection Would Lead to Return of Nationalistic Control and to State Managed Trading Systems. Holds Combining International Fund With Reconstruction Bank Would "Risk Much and Gain Nothing." Two Members of Committee Disagree With Majority.

Approval by the United States of the Bretton Woods proposals for both the International Bank and Monetary Fund is urged by the Committee on International Policy of the National Planning Association as a necessary means for the re-establishment of multilateral, non-discriminatory trade throughout the world.

The agreements represent an American triumph in obtaining international agreement to reverse the trend toward State-managed trading systems. Should the proposals fail to be accepted by the United States, the Committee observes in its report issued on April 23, there is little chance of their acceptance by other countries. The forces in other countries which oppose the agreements would revert to a course of nationalistic economic control; the long-range economic objectives of America would be jeopardized; and this country would find itself isolated in a world of hostile economic blocs.

"Private interests in the United States would then have to face the necessity of competing or bargaining with State-controlled powerful economic units. Bilateral agreements and manifold discriminations would become the rule rather than the annoying exception," the Committee warns. "The free enterprise system in foreign trade, at least, would be seriously crippled . . . and the United States probably would have to match the State management of other groups."

NPA's International Committee, which is headed by Mr. Stacy May, is composed of agriculture, business, and labor leaders who are experienced in foreign affairs. In its report, *"The Stakes of Bretton Woods,"* the Committee has weighed the significance of the proposals and the criticisms that have been directed at them both in this country and in Great Britain.

The International Monetary Fund, which has been most frequently criticized, constitutes a compromise between the British and the Americans, the report stresses. Britain agrees to work toward a truly international economic system, to abandon exchange controls and other discriminations and to aid in stabilizing the relative values of all exchanges. The United States agrees to allow a certain flexibility in exchange rates, limited by the provisions and management of the Fund, and to allow Britain to continue exchange controls during a transitional period of five years.

Pointing out the importance of Great Britain and the United States among trading nations of the world, the Committee states: "So great is their relative weight and so far-reaching the effect of their policies on the rest of the world, that an integrated world economy cannot be established unless their aims and policies are coordinated and harmonized."

The problem of coordination is made more difficult than it might otherwise be by the fact that the impact of the war on the American and British economies has been very different and that their immediate post-war preoccupations are not the same. In England, the emphasis is placed currently on imports; in this country, on exports.

Views in Britain vary on the extent to which State control should be exerted over economic life, the study points out. Continuation and extension of the controlled sterling area is the foreign economic policy objective of an influential British group which vigorously opposes the Bretton Woods Agreements. Under such a policy, member nations of the sterling area would find it economically preferable to trade with Great Britain rather than with the United States. The result would be increasingly to isolate the United States from trading with these nations. Such a program would promote conscious economic warfare and lead to the development of rival economic blocs, the Committee warns.

In the United States, the emphasis is placed on the revival of world-wide non-discriminatory, multilateral trade. As a potentially great creditor nation with large gold reserves and the most widely acceptable currency in the world, the United States can only benefit from suppression by other countries of their restrictions on international payments. With many industries uniquely geared to a large-scale production of goods desired by other nations, this country needs equality of access to foreign markets and assurance of stable monetary parities.

Through acceptance of membership in the institutions proposed at Bretton Woods, the world at large would follow policies essentially favorable to America's point of view. Adoption of the proposed agreements will not solve all the problems of attaining world economic prosperity, the Committee asserts, but it will encourage the nations of the world to work out the other commercial and economic policies that are necessary to attain the goal.

The suggestion has often been made that it is unnecessary to have two separate institutions—the Fund and the Bank—since the Bank, amplified by a stabilization department, would fulfill the functions of both institutions with greater efficiency and smaller cost. The International Committee, after considering the purposes of each and the relationship between the Fund and the Bank, concludes that combining the two institutions would "risk much and gain nothing."

The Committee urges that possible amendment of the agreements be postponed until such action can be taken in the light of experience, under the provisions for amendment that are included in the plans for both the Fund and the Bank. The introduction of amendments dealing with the basic structure of the proposed institutions at this time, the report asserts, would be very dangerous. If a call for basic amendment is made, other voices than ours will be heard, the Committee points out. Our demands would bring forth further demands for fundamental changes on the part of other countries. Another conference would become necessary. Such a conference, following a rejection by the United States of a compromise arrived at after a year and a half of work, would not be likely to take place in the same atmosphere of collaboration and search for a solution that prevailed at Bretton Woods.

Of the 22 members of the NPA Committee on International Policy, two members, Charlton Ogburn and Robert H. Patchin, have expressed disapproval of the decisions arrived at. Mr. Ogburn holds that the approval of the International Monetary Fund now would be premature, as the mechanism is designed for normal conditions and therefore initial parities under the Fund cannot be fixed and he also holds that the Fund would soon be depleted of dollars. In an opposing statement, Mr. Patchin says the Fund "seems clearly to permit the continuation of discriminatory exchange controls" and that there should be an international agreement to reduce obstacles to international trade and a harmonizing of national policies designed to promote high levels of employment, before the adoption of the monetary pact.

Rollins Request Denied

The request of E. H. Rollins & Sons, Inc., 40 Wall Street, New York City, for relief from the remainder of a 60-day suspension from membership in the National Association of Securities Dealers, Inc., has been denied by the Securities and Exchange Commission. The suspension became effective March 6.

The State of Trade

Signs of pressure are developing here in the United States for an early lifting of wartime price controls as the campaign in Europe draws nearer to a close. Our entrance into the war following the attack upon us at Pearl Harbor by Japan on Dec. 7, 1941, brought about a hasty transformation in our normal way of living to that of a war economy. This sudden and untoward incident induced drastic changes in the nature of goods being produced. The stern realities of war dictated a complete changeover in production to meet the urgent demands of the moment and at the same time prompted the imposition of direct governmental price and other controls to protect the country against a runaway inflation. Thus in January, 1942, and approximately one month after our declaration of war the country witnessed the passage of the Emergency Price Control Act.

In proposing an early and sudden removal of these controls, advocates of the plan overlook the grave consequences which grow out of such proposals by failing to profit by the experiences following the Armistice of World War I. After that period about one-third of the inflation in wholesale prices in the last war occurred. On Nov. 11, 1918, wholesale prices stood 102 points higher than in July, 1914, based on data from the U. S. Bureau of Labor Statistics. At the peak of the inflation in May, 1920, wholesale prices stood 148 points higher than in July, 1914, and by June, 1921, prices had dropped to a point only 39 points above the July, 1914, level.

As further evidence of the untold harm done by the immediate lifting of controls, between the years 1919 and 1921 unemployment jumped to 5,624,000 workers, and from 1920 to 1922 the average factory weekly pay-check declined by 44%.

The plight of the farmers in the years 1922 to 1926 reached a serious state with foreclosures on farm mortgages totaling 453,000. This is not all, for the picture so far has not told the complete story. Added to the nation's woes in the five years following the collapse in prices, 105,996 businesses failed. The failure of business establishments adds the final touch in a portrayal of prevailing conditions in that period.

Notwithstanding the desire of some for immediate lifting of wartime controls following the cessation of hostilities, the urge to do so is by no means universal, since business and other groups have expressed their thoughts on the question by suggesting that a cautious and at the same time gradual removal of controls be undertaken to avoid jeopardizing our successful transition to a peacetime economy.

Only last week the Committee for Economic Development in its report on removal of wartime controls, one of a series drawn up for the purpose of accomplishing that objective, expressed the Committee's attitude as favoring prompt removal as soon as the emergency has ended by the method of "selective rather than indiscriminate" abandonment of controls.

In its determination of the time factor involved in the question, the Committee in its report pointed out the likelihood of four rather sharply defined periods with differing requirements as to the type of economic controls which should be observed. The first period it set forth as that of war against enemies; the second, the months between the defeat of Germany and the defeat of Japan; the third, a reconversion period of about six months and the fourth, a two-year period before the economy regains a peacetime pattern.

In the matter of price controls, it was urged that "general advances should be resisted, but prompt adjustment should be permitted where prices deter production because they do not bear a reasonable relation to cost at normal levels of production. The objective is a level of prices high enough to induce the required expansion of production and employment and low enough to maintain the necessary consumption under normal conditions of supply and demand."

In a return to the system of free markets, free prices and free enterprises, we must not be unmindful of the war effort, nor must we give too hasty consideration to our plans for the restoration of our peacetime economy to meet the challenge of post-war problems.

Steel Industry—Continued pressure of a strong steel-order volume the past week worked to lengthen the comparative gains for 1945 over the previous year. Meanwhile consumer pressure for maintenance of open tonnage delivery promises has amplified at a number of points due to reduction of inventories growing out of the recall of substantial WPB second quarter allotments, "The Iron Age" currently reports.

The effects of the unofficial coal strike were gradually diminishing in the Pittsburgh region and steel production in the district gained 9.5 points from the previous week's revised rate of 82 to 91.5% of capacity. In Birmingham early in the past week the miners were still idle. Finished steel as well as open hearth and blast furnace operations were being seriously affected as a result.

Current complaints on sheet deliveries have appeared, although other pressure for accelerated deliveries is decreasing, due to the continued inability of steel users to attain full production because of manpower shortages, according to the magazine.

Assistance has been afforded some purchasers through placement in scattered spot-openings for regular bars, hot-rolled strip, universal mill products and sheared plates.

Can companies, report that their tinplate supply situations are becoming serious. The diversion of sheets into other channels plus an increased demand for food containers has provoked the situation. However, Vice-Chairman Batcheller of the WPB states that present container programs are going to be increased or at least held at present levels regardless of the turn of events in Europe.

Present indications, the trade magazine states, point to a drop in third quarter production of shell steel billets to 300,000 tons below the second quarter output, and remaining around that figure from then throughout the year. Heavy warehouse demands on mills for steel are continuing with the general warehouse situation being one of low inventories and poorly balanced stocks.

Pressure for production of landing mats is on the increase with orders on hand for 1,200 Treadway bridges, supplementing an order for 1,500 now in production. While operations for the Maritime Commission in general continue to decline, some orders for masts and booms are coming in. Makers of rocket parts, chemical shells, and rubber machinery are anticipating no slackening in the demand for their products.

Canadian steel production, according to "The Iron Age," is at present operating at around 90% of capacity, and pig iron production at about 67%, due to manpower shortages. With the possible exception of plate, on which delivery is available in July,

(Continued on page 1864)

Catholic Welfare Conference Drafts World Bill Of Rights—Criticizes Dumbarton Oaks Plan

Calls Dumbarton Oaks Merely an Alliance and Criticises Voting Plan and Veto Power. Urges U. S. Adherance to World Organization, but Holds Genuine Democracy and Marxian Totalitarianism Incompatible.

The high church dignitaries of the Catholis Welfare Conference, issued from Washington on April 14, a statement setting forth the principles upon which an international organization should be based, and criticising the Dumbarton Oaks organization, particularly the danger and inequity of the veto given to each of the Great Powers. The statement characterized the plan as merely "an alliance and not an organization under law." It condemns Marxism, and asserts that "every day makes more evident the fact that two strong essentially incompatible ways of life will divide the loyalties of men and nations." They are genuine democracy and Marxian totalitarianism.

Text of the statement:

Organizing for World Peace

The organization of the community of nations in an international institution to maintain world peace and achieve world cooperation will test the fullness of our victory. This conviction inspired the statement made by the Catholic Bishops of the United States last November. The trend of events since then prompts us to reaffirm and further interpret the principles of that statement.

A sound world organization is not a utopian dream. With honest goodwill in all the victors, it will be realized, and a new era in international relations will begin. If any one of them refuses it full support, or insists on introducing into its charter provisions which radically vitiate it, we shall witness the tragedy, so often recorded in history, of a glorious martial victory largely nullified by sheer political expediency.

Experience warns us that unless strong, courageous leaders, with the full support of their peoples, put their hands to this task, there will be no genuine progress in international life. To yield to the fear that this thing cannot be done is defeatism.

In nations, as well as in individuals, we must indeed face the fact of human weakness, but we must face it to conquer it; we must not accept it in a spirit of paralyzing fatalism. An opportunity is here, as in every world crisis, to begin a new era of genuine progress in the community of nations.

Isolationism, whether expressed in the refusal of a nation to assume its obligations in the international community, or masked in the setting up of a sphere of influence in which a great nation surrounds itself with weak puppet States, or disguised in a balance of power policy, is no answer to the world's problems, or indeed to the problems of any nation.

There is, however, the danger present at this time that if in the name of realism an attempt is made to substitute for a juridical world institution what is in effect only an alliance of the great Powers, many nations will take refuge in isolationism. Disillusionment in our country will express itself in the isolationism of the abstentionist.

Veto Power Danger Cited

The proposals for an international organization which will be presented to the coming San Francisco Conference have been studied by able and experienced men who, in a spirit of constructive criticism, have brought to light some of their outstanding defects. The admittedly tentative character of these proposals suggests that the delegates at San Francisco will be given the opportunity of free, open discussion and action.

But the official information on agreements reached by the three great Powers—the United States, Russia and Great Britain—on certain fundamental provisions in the charter gives rise to doubt and fear. We fail to see that the voting procedure in the Security Council agreed upon at Yalta is consistent with the sovereign equality of peace-loving nations recognized as basic in the Dumbarton Oaks proposals.

Whatever concessions may, under existing conditions, have to be made to certain nations in view of their power and corresponding responsibility, it seems inequitable and dangerous to give any nation in perpetuity a virtual veto on parity of treatment for all. It is a manifest denial of a prime attribute of a juridical institution to extend the veto to the execution of decisions of the World Court, to which, by explicit provision, all justiciable disputes should be referred.

And the concession in question is not even limited to cases directly involving the nation to which it is made. This makes the charter give a preferred status not only to the powerful aggressor, but even to any aggressor with a powerful patron.

While there is reason in setting up a committee or council to act in emergencies, in the proposals the functions of the General Assembly are too restricted and the functions of the Security Council are too broad. It is hoped, then, that the Security Council will be made more responsible to the General Assembly and, at least in time, will become merely its executive committee.

It is imperative, too, that there be lodged in the international organization, and ultimately in the World Court, the authority to make changes in the peace settlements and other treaties which, in view of past mistakes or changed conditions, may be required.

The proposals as they stand outline not the plan for an organization, under law, of the international community, but rather the draft of an alliance between the great victorious Powers for the maintenance of world peace and the promotion of international cooperation, in which these Powers definitely refuse to submit themselves in every eventuality to the world authority which they propose to invoke in compelling other nations to maintain world peace.

Moral Law Binds Nations

Sovereign equality among the nations demands that each nation be free in its internal government, and that its juridical personality be recognized in its international relations. It does not mean, however, that a nation is exempt from its obligations in the international community. Even in internal government, sovereignty does not include the authority to violate the inalienable rights of subjects.

In all history, and particularly in modern history, dangers to world peace have come from the unjust treatment of minorities, the denial of civil and religious liberties and other infringements on the inborn rights of men. To remove these dangers, the nations should adopt an inter-nation Bill of Rights, in which men and groups everywhere would be guaranteed the full enjoyment of their human rights.

That this is definitely a matter of international concern is evident in the problem now confronting the intergovernmental committee in regard to displaced persons. If they are reluctant to return to their homelands, it is largely because they cannot look forward to the enjoyment of fundamental human rights under the new tyrannies in control.

Active participation in the international organization ought to be conditioned on the acceptance of this Bill of Rights. Will a nation which does not make its own citizens secure in the enjoyment of their human rights work honestly and sincerely for the maintenance of world peace and mutual cooperation in the international community?

Polish Pact Disappointing

The solution of the Polish question agreed upon by the representatives of the three great victorious powers in the Crimean Conference was a disappointment to all who had built their hopes on the Atlantic Charter. Poland, which stood against the Nazi aggressor from the very beginning of the war; Poland, which has suffered more than any other nation in the war; Poland, which has fought and is fighting with our armies on every European front, has been forced by her allies to surrender a very large part of her territory.

In apparent exchange, it was guaranteed at Yalta that in the reconstructed world there will be a strong, independent Poland, with a government chosen in a free election by its own people.

Pending the action of the people of Poland in a free election, agreements were made to set up a provisional regime which will be recognized by the three great powers. This provisional government must not be the creation of a single foreign power but the choice of all parties to the Yalta engagements.

Our President is pledged to see that in the choice of a permanent Polish Government the people of Poland be guaranteed in their right of free secret ballot. No foreign power must be permitted to influence this election in a way which will determine its results. The peace of the world demands a free, independent, democratic Poland. It must not be that Poland become a puppet state under the domination and control of any foreign power.

If Poland is secured in its rights of freedom and independence, it will make great sacrifices and do its full part in the international community. If it is enslaved, and its leadership forced into exile or inhumanly liquidated, the love of freedom will not be crushed in Polish hearts, but the seeds of war will have been sown.

Plight of Baltic States

In reading official reports on current peace discussions we are struck by the ominous silence of the three great powers of Lithuania, Estonia and Latvia. Contrary to the protests of our Government four years ago, and to the assurances of Soviet authorities even before that time, the indications are that they will be absorbed, without their free and unfettered consent, in an alien system of government.

The sympathy of all lovers of freedom goes out to them in their disaster. We hope that when the final peace treaty is framed and approved it will not be recorded that our country condoned the enslavement of these freedom-loving nations.

We hope, too, that our Government will discharge its full responsibility in re-establishing all the liberated nations of Europe under genuine democratic regimes which will accord to all their citizens the full enjoyment of their human rights and open to them an era of prosperity.

In the treatment of the enemy nations, justice must obtain. Justice, indeed, is stern. It is not, however, born of hatred or vengeance, and prevails only when the mind is clear and calm.

Moreover, the common good of the whole world must be kept in mind in dealing with these peoples. They must be freed from tyranny and oppression, and they must be given the opportunity to reconstruct their institutions on the foundations of genuine democracy.

There are things, too, which charity and a right sense of world cooperation urge us to do for them. Only in the unity of human brotherhood will it be possible for them to do their full part in the community of nations.

People living on the near-starvation level, without the means of even beginning the work of reconstruction for themselves, are not clear in their thinking and become easy victims of bad leadership. It is imperative indeed to keep before them the sound principles of genuine democracy, which is a product of our culture and at its base recognizes human rights of individuals and groups.

It is equally imperative to keep them fit rightly to appraise sound principles. The work of relief before us is very great, and it must be done quickly and efficiently if there is to be a sound world peace.

Democracy vs. Marxism

Every day makes more evident the fact that two strong essentially incompatible ways of life will divide the loyalties of men and nations in the political world of tomorrow. They are genuine democracy and Marxian totalitarianism.

Democracy is built on respect for the dignity of the human person with its God-given inviolable rights. It achieves unity and strength in the intelligent cooperation of all citizens for the common good under governments chosen and supported by the people. It will advance, expand and develop our culture. It will maintain continuity with our Christian past. It will give security for our Christian future.

Fascism and Nazism, rampant in their might, sought its destruction. Fascism is gone, we hope, forever. And soon Nazism will be only a horrible historical memory.

However, we have to reckon with the active, cleverly organized and directed opposition of Marxian totalitarianism to genuine democracy. This system herds the masses under dictatorial leadership, insults their intelligence with its propaganda and controlled press, and tyrannically violates innate human rights. Against it, genuine democracy must constantly be on guard, quick to detect and penetrate its camouflage.

Democracy's bulwark is religion, and justice is its watchword. We entered this war to defend our democracy. It is our solemn responsibility, in the reconstruction, to use our full influence in safeguarding the freedoms of all peoples. This, we are convinced, is the only way to an enduring peace.

EDWARD MOONEY,
Archbishop of Detroit;
SAMUEL A. STRITCH,
Archbishop of Chicago;
FRANCIS J. SPELLMAN,
Archbishop of New York;
JOHN T. McNICHOLAS,
Archbishop of Cincinnati.
JOHN GREGORY MURRAY,
Archbishop of St. Paul;
JOHN J. MITTY,
Archbishop of
San Francisco;
JOSEPH F. RUMMEL,
Archbishop of New Orleans;
JOHN F. NOLL,
Bishop of Fort Wayne;
KARL J. ALTER,
Bishop of Toledo;
JAMES H. RYAN,
Bishop of Omaha.

Spain Breaks With Japan It Is Disclosed

In a protest against the bayonetting of Spanish nationals in the Philippines by Japanese soldiers, Spain broke relations with Japan, it was disclosed in Associated Press advices from Madrid, which also had the following to say about the matter:

A Government communique, issued on April 11 at the conclusion of a Cabinet meeting presided over by Generalissimo Francisco Franco, declared:

"Direct information of Spanish origin, and officially confirmed, leaves no doubt concerning the attack on Feb. 12 by Japanese troops on the Spanish consulate at Manila, followed by the assassination of consular functionaries and other Spaniards there, and the wilful burning of buildings, in addition to many other assassinations and deliberate destruction of the property of Spanish citizens.

"As a result of these exceptionally grave facts, the Spanish Government, esteeming them incompatible with the maintenance of friendly normality between the two countries, has resolved to break diplomatic relations with the Government of Japan, while maintaining a demand for indemnity sent Japan for the loss of life and damage caused to Spanish citizens.

Michigan Anti-Branch Banking Bill Signed

The State of Michigan anti-branch banking bill was signed without comment by Gov. Kelly on April 10, according to Lansing advices to the Detroit "Free Press" of the following day, from which we quote as follows:

"The law is an amendment to the 1937 Bank Act, a general revision and codification of bank law. Until then Michigan law had forbidden the formation of bank chains.

"The 1936 commission which drafted the revision had no notion of changing the rule, but inadvertently left a loophole.

"This was discovered in 1938, when the Michigan National Bank was formed by a combination of banks in Grand Rapids, Lansing, Saginaw, Flint and other cities.

"In 1939 State Treasurer D. Hale Brake, then a Senator and Chairman of the 1936 commission, introduced a bill to close the loophole. This became the celebrated anti-branch banking bill.

"It did not pass in 1939, Governor VanWagoner vetoed it in 1941, and it did not pass in 1943. Investigation into why it could not become law was the starting point of the Carr-Sigler grand jury inquiry into legislative graft."

AIB Correspondence Available to Servicemen

Hundreds of men and women who entered the armed services from banks of the nation may now carry on their banking education by correspondence, according to William C. Way, President of the American Institute of Banking, educational section of the American Bankers Association.

Mr. Way, who is also trust officer of the Central National Bank, Cleveland, Ohio, said that the A. I. B. for many years has been successful in carrying on a program of banking education by correspondence, and as a service to members of the armed forces the Executive Council of the Institute authorized this opportunity for them at a very nominal fee to cover all costs, including textbooks. A special inducement is being offered for the men and women on leave from or formerly employed in banks.

The Financial Situation

(Continued from first page)

have been able to remain in power very long. The maintenance of a Communist regime, a Nazi regime, or any other regime so drastically different from what had gone before and so completely controlling and limiting the activities and the enjoyments of the individual could never be successfully and permanently maintained by force alone—not even with the ubiquitous Gestapo or Ogpu.

Regimenting Men's Minds

It is necessary for such purposes to coerce and regiment men's minds as well as their actions. This was accomplished by various and often devious means which tended to create a situation in which any opinion or line of reasoning different from the official "party line" carried with it a definite stigma.

The communistic ideology has been systematically woven into the mores of the Russian people—that is the concepts and doctrines of the Communistic party have acquired a sort of moral sanctity, a violation of which would require extraordinary courage on the part of the Russian citizen quite regardless of any penalties the authorities might impose. Such a course of conduct would be about as unthinkable to the average Russian as a foreswearing of the Christian religion in favor of Buddhism would be to the man in the streets of an American city.

We have not reached the point in this country as yet where a man loses his head or his liberty because he differs with the official "party line," although upon occasion such boldness unquestionably costs him money. But far more important, the technique of coercing and regimenting the minds of the people in this country has proceeded to a point which would have been incredible a few years ago. Every effort is made to create a situation in which really independent thought, and certainly conclusions fundamentally at variance with those in official favor at Washington, are a sort of hall mark of anti-social proclivities unworthy of a respectable citizen. The term "liberal" has been worked to death in this connection, as has the word "selfish," and a dozen others which could be cited.

On the International Front

These techniques have been in regular employment for years past, but perhaps with only one or two exceptions they have never been so vigorously, even violently, employed as they are today in behalf of certain aspects of international policy. It is doubtful, for example, if this country has ever seen so elaborate an effort to make opposition to the slightest detail of the schemes worked out at Bretton Woods or Dumbarton Oaks appear something approaching treason.

The regimenters of men's minds in Washington are far too shrewd — and should we say unscrupulous? — to permit decisions about such things to rest upon carefully reasoned analysis. They create an elaborate language of slogans and catch phrases with which discussion of the subject is carried forward and through them all is an obvious begging of the question—a plain assumption or presupposition that what is to be proved is already proved—and a clear implication that failure to fall in line can be due either to doubtfully pardonable ignorance or wholly unpardonable lack of consciousness of duty to the public.

Not only must every citizen endorse the general program outlined but, to be truly patriotic, he must not wish to change so much as a punctuation mark in any of the documents, or to quibble over any provision or detail which has been accepted by the hand-picked New Deal delegates. The suggestion that any modification should be made is met with a suspicious leer and suggestions that what the objector really wants is to "stall" or "kill" the whole program by piecemeal. As to the Bretton Woods plans, it is repeatedly asserted that they are now complete documents which have the approval of the representatives of many countries (although not of the countries themselves) and that any attempt to change even half a line would open the whole matter again, entail repetition of the long drawn out procedure of obtaining approval —with a high degree of probability that another agreement would never be reached.

Thought Needed—As Well As Feeling

That either the Dumbarton Oaks project or the Bretton Woods program should not be carried through to completion and fruition would—if we are to accept the plain, vigorous, but wholly unproved assertion of their advocates—be tantamount to utter disaster. "Failure might result in World War III, and that we must not risk," runs the argument. It apparently never occurs to them that they have not even made a serious attempt to prove to the public that adoption of either of these programs would have any bearing upon whether or not another devastating war breaks out a quarter of a century or more hence. That, they well know, is for propaganda purpose much better left for the public to assume—or to accept on the word of the propagandist.

But for the good of the country and of mankind—had we, the people, not better think about these things as well as feel about them?

The Bretton Woods Proposals

(Continued from first page)

ceedings is *ad referendum* to our governments who are at the present stage in no way committed to anything. We have been gathered here to put our heads together to produce the most generally acceptable document we could frame. We do not even recommend our governments to adopt the result. We merely submit it for what it is worth to the attention of the governments and legislators concerned.

Therefore the question for Congress to decide is whether the proposals should be adopted, amended, or rejected.

The consensus seems to be that the plan for the Bank is generally well designed and, given good management, should fill a need in the difficult task of reconstruction in the war-torn countries, and also provide a way for a development of resources of those countries which have heretofore been unable to provide adequate finances.

General Objectives Approved

The general objectives of the International Monetary Fund can be approved by us all, because everyone is in favor of peace and plenty, prosperity and happiness. And yet even in enumerating these purposes there seems to be a conflict of ideas, the first of the long list of ambiguities we find throughout the document. For example, it is not clear whether the primary function of the Fund is to provide for stabilization of currencies or for economic development of the member countries. In fact, the Fund seems to have been drawn so that the politicians in each country can explain it in their respective countries in a way that will secure approval even though the conception of its meaning and purpose may be diametrically opposite that in other countries.

A study of the different provisions of the plan for the Fund shows a desire on the one hand to encourage in the member nations a feeling of security by reason of the assistance that they expect to receive if they call for it, and on the other hand one finds in the maze of technical phraseology a means of denying that privilege to them. Thus it is stated that the Fund is "to give confidence to members by making the Fund's resources available to them under adequate safeguards," but it is perfectly obvious that the meaning of this provision will depend entirely upon what are later decided to be "adequate safeguards." If we did not know that it was necessary to cater to British public opinion, which will have nothing to do with gold, and at the same time satisfy the hard money feeling in this country, it would seem strange that some of the delegates who are masters of English could not have drawn an instrument that would express a single meaning clearly and unequivocally. In these circumstances it is all things to all men.

Loans or Exchange of Currencies?

The machinery by which the authors of the Fund hoped to achieve success is what is called an exchange of currencies, but which we will understand better if we consider as loans. Provided it is consistent with the purposes of the Fund, each member is entitled to draw or borrow from the Fund the currency of another member to a total of 100% of its quota, plus the amount of its gold contribution, but not more than 25% in any one year, unless the Fund waives that prohibition, which it may do. It pays for this loan a small rate of interest increasing yearly at the rate of ½% to a total of 5%. There is no maturity date and no collateral. Now this is not a good way to lend money. Good money lending requires an examination into the credit worthiness of the borrower, his needs, and his probable ability to repay. If the powers of the Bank should be enlarged to make loans for stabilization purposes in the same way that the Bank is authorized to make other loans, this purpose of the Fund will be better accomplished.

The provisions concerning exchange restrictions need careful examination. It has often been said that the creation of the Fund will mean the end of exchange controls, multiple currencies, bilateral agreements, etc., but as a matter of fact the proposed Fund specifically authorizes the continuation of exchange controls. There are, however, other provisions in the Fund which can be carried out only by tight control over exchange transactions; for example, the provisions about the maintenance of currency operations within the prescribed limits and those relating to the transfer of capital funds.

Really the only way the Fund can hope to succeed is in a managed economy. In other words, to function it must impose its will on the member nations, and in turn the members must impose their will upon their nationals. This results in an economic superstate, which means the forging of a strong link in the chains of national socialism. I should like to quote from an article in the "Economist" issue of Jan. 2, 1943, on this point:

> A key question in all discussions of economic policy after the war is whether the foreign exchange market should continue to be controlled or return to some measure of its former freedom. It is a key question, because the foreign exchange market is the solar plexus of the economic nerve system. It records every commercial and financial transaction with other countries, and it reacts to every change in the domestic monetary position. . . . No country has yet devised an effective system of exchange control which does not require a complete and continuous official censorship of incoming and outgoing mails. Exchange control involves the right of search of all persons entering or leaving the country. Again, exchange control requires official approval or sanction for every trade transaction and financial operation with other countries. It gives political weight where politics should, ideally, be least in evidence. It opens the door wide to trade discrimination, effected not openly or directly through tariffs or quotas, but simply by the sanctioning of the foreign exchange operations which attend every foreign trade transaction; it can make moonshine of the most-favoured-nation clause.

Now it has been said that our Congress must pass the Act adopting the proposals without changing a word in order to show the world that the United States means to cooperate fully in international affairs. And we are especially warned that it we amend the proposals we will give the vociferous nationalist group in Britain the opportunity they are looking for to take their country along the route of bilateralism, and thus create economic warfare. The history of the British people very plainly shows that we will have greater success in maintaining harmonious relations with them if we negotiate with them now an agreement which can be expressed in a contract that has one clear and understandable meaning. On this point I should like your permission to read a short excerpt from an article by Mr. Paul Bareau from an issue of "The Banker" magazine of March of this year:

> The sterling area, as it existed and functioned before the war, would have been entirely compatible with the Bretton Woods scheme. The machinery of control, rationing of exchange and discrimination as now operated within the area would be entirely at variance with Bretton Woods after the expiry of the transitional period (during which virtually nothing is barred). As between these two extremes there is a long gradation of devices whose compatibility with the spirit of Bretton Woods would be open to question and subject to carying interpretations of the final Act. Lord Keynes, for example, has argued that the full rigours of Bretton Woods, disregarding the transitional provisions, would permit bilateral commercial treaties between members of the sterling area allowing their mutual trade to be compensated through some direct clearing machinery, provided the arrangement were a voluntary one and not the product of "blocking" by one of the two parties. Those are points on which the meaning and intentions of the final Act of Bretton Woods will have to be further elucidated, as, indeed, they will be while running the gauntlet of the Legislatures in the United States and the United Kingdom. Going well beyond this problem of the interpretation of minutiae is the more fundamental dispute between those who would have the sterling area revert to what it was before 1939, namely, an alliance of free and voluntary members without currency discriminations, and those who wish to keep the sterling area mobilized, as it is today, for economic warfare.

This ought to be evidence enough of the importance of securing now a clear understanding of what the proposed financial institution will do and what it will not do, what it will permit to be done, and what it will not permit to be done.

Essentials of Sound Monetary Program

No purely monetary program will or can work unless the underlying commercial and trade relations are healthy and sound. We should have learned this lesson from our own expensive pump-priming experience in this country during the thirties. International credit is in this respect no different from domestic credit. If a foreign country finds its international accounts out of balance because its internal price level is out of gear with world prices as a result of its government's inflationary policies, granting credit to such a country will only aggravate its problems by postponing their cure. In short, the only way in which the

Fund can achieve its objectives is in conjunction with favorable world trade conditions. This is admitted by the proponents of the Fund themselves, who tell us that plans are being formulated and measures taken to assure such healthy trade conditions. But when we press them for details of these plans, we receive no concrete answer. We are told we must pass the Fund first and we will get the trade agreements later, but it seems to us that the two are too closely bound together to be so separated. Trade and money are but different sides of the same coin. To try to deal with the one independently of the other is to work with a lever without a fulcrum. No maladjustment of trade can be cured by monetary measures alone.

Many of us would regret to see an institution created which has so little chance of success, at a critical time in the world's histry when its failure would create world discord instead of the harmony that we are all seeking. The American Bankers Association has made a constructive proposal, namely, that the International Bank for Reconstruction and Development should be created and empowered to make stabilization loans after careful study and investigation. In this way nations having resources to lend to other nations can do so through an instrument organized and operated along sound and tested principles. I believe that the great majority of our people, both in financial circles and in other lines of business, would be favorable to this approach to the problem. And the Bank would also provide a place for discussion and a means of gathering information on international affairs. Its statutes could contain provisions for the fixing of the par values of currencies and for encouraging sound monetary relations between the nations. If this recommendation should be adopted, all the assistance that money and credit can properly supply will be provided.

NYSE Short Interest To April 13

The New York Stock Exchange announced on April 19 that the short interest as of the close of business on the April 13, 1945 settlement date, as compiled from information obtained by the New York Stock Exchange from its members and member firms, was 1,361,495 shares, compared with 1,520,384 shares on March 15, 1945, both totals excluding short positions carried in the odd-lot accounts of all odd-lot dealers. As of the April 13, 1945, settlement date, the total short interest in all odd-lot dealers' accounts was 30,665 shares, compared with 42,927 shares on March 15, 1945. The Exchange's report added:

Of the 1,253 individual stock issues listed on the Exchange on April 13, 1945, there were 61 issues in which a short interest of 5,000 or more shares existed, or in which a change in the short position of 2,000 or more shares occurred during the month.

In the following tabulation is shown the short interest existing at the close of the last business day for the last 12 months:

1944—	
Apr. 29	1,090,581
May 31	1,181,293
June 30	1,287,970
July 31	1,327,641
Aug. 31	1,283,555
Sept. 29	1,275,709
Oct. 31	1,373,540
Nov. 30	1,436,271
Dec. 29	1,390,713
1945—	
Jan. 31	1,475,441
Feb. 15	1,582,647
Mar. 15	1,520,384
Apr. 13	1,361,495

U. S. Delegates Adopt Proposal for Treaty Revisions

Modified Vandenburg Proposal Would Give United Nations Assembly Right to Recommend Post-War Treaty Changes. Polish Question Still Unsettled. NAM Will Have Representatives.

In line with the proposal put forward several weeks ago by Senator Arthur Vandenberg of Michigan to present a proposition at the San Francisco Conference which would give the General Assembly of the United Nations the power to require member countries to revise bilateral treaties already in existence, it was reported on April 17, that the United States delegates have agreed to support a compromise measure. This would give the United Nations Assembly, as set up at Dumbarton Oaks, the right to recommend but not to enforce treaty revisions.

The delegates are expected to offer this plan in the form of amendments to the Dumbarton Oaks set-up for a form of world organization which is designed to keep the peace.

Other matters were taken up by the delegates at a meeting to draft proposed changes for presentation to the United Nations meeting opening April 25. The troublesome question of trusteeships for the captured and mandated islands of the Pacific and for territories in other parts of the world, as well as the status of the Polish delegation, have not yet been settled.

According to the Associated Press, the U. S. delegation "was reported leaning strongly toward mandate control by individual nations rather than international government of the territories involved."

The roster of the United States delegation to the United Nations Conference as it now stands is as follows:

Cordell Hull, Dean of the delegation, and until February of this year the Secretary of State, a position he held since 1933.

Harold Stassen, Republican, former Governor of Minnesota, from which position he resigned to enter the Navy, in which he has the rank of a commander.

Edward R. Stettinius, Jr., Secretary of State, who is a Democrat. Until 1940, when he joined the National Defense Council he was Chairman of the United States Steel Corporation.

Tom Connally, Democratic Senator from Texas and Chairman of the powerful Senate Foreign Affairs Committee, and an enthusiastic supporter of the Roosevelt Foreign Policy.

Arthur H. Vandenberg, Republican Senator from Michigan, formerly considered a non-interventionist but now an ardent advocate of an international organization to enforce peace.

Sol Bloom, Democratic Congressman from New York and Chairman of the House Committee on Foreign Affairs. An ardent New Dealer and advocate of an international organization for preserving peace.

Charles A. Eaton, Republican Congressman from New Jersey and ranking Republican member of the House Foreign Affairs Committee.

Virginia C. Gildersleeve, for 35 years the Dean of Barnard College, Columbia University, New York.

No accord has apparently been reached yet on the question of representation of Poland at the Conference. Russia has again requested that the so-called Lublin Government be given representation and it is reported that the request was again turned down by the United States and Great Britain.

This refusal was followed by a Soviet-Polish Mutual Aid Pact drawn up and signed in Moscow between the Russian Government and delegates of the Lublin Government.

In the meantime, at the request of President Truman, Foreign Commissar V. M. Molotov arrived in Washington on April 22 to consult with Secretary of State Edward R. Stettinius, Jr., and British Foreign Secretary Anthony Eden, and to head the Russian delegation to the San Francisco Conference. There also arrived in Washington for consultation American Ambassador to Russia, W. Averill Harriman, and British Ambassador to Russia, Sir Archibald John Clarke Kerr. Mr. Molotov has already had conferences with President Truman, and with Anthony Eden and Secretary Stettinius, but an announcement was made by the State Department that no agreement regarding Poland was reached and that the conferences would be continued at San Francisco.

It was announced on April 23 that the National Association of Manufacturers will be represented at the United Nations Conference on International Organization in San Francisco by a consultant and two associates, invited by Secretary Stettinius to assist the American delegation.

The consultant will be the Chairman of the Board of NAM, Robert Gaylord, President of the Intersoll Milling Machine Company, Rockford, Ill. Last year, as President of NAM, the originating sponsor of the International Business Conference at Rye, N. Y., Mr. Gaylord took a prominent part in launching the deliberations of the representatives of organized private business from 52 United and neutral nations.

He will speak for industry at the United Nations Conference in San Francisco out of an experience of 34 business years, of which 28 were with his present company since the start of the First World War, manufacturing special heavy machine tools.

His associate consultant will be W. W. Cumberland, who is an economist and partner of the investment banking firm of Wellington & Co. Mr. Cumberland's career extends from an academic professorship in economics to being a director of a railroad, a paper board company, a pipe foundry, a smelting company and other industrial corporations. He was an expert for the American Commission to Negotiate Peace in Paris after the First World War and thereafter served on various Allied financial missions; he was foreign trade advisor to the Department of State; later, economist in connection with NRA; and he has been for years an adviser to NAM on economics and foreign affairs.

Hugh O'Connor, the other associate consultant, is a staff member of NAM who served as Public Relations Director of the International Business Conference at Rye last year. He came to NAM as a staff consultant on the public effect of NAM's post-war and foreign policies, after 25 years of newspaper correspondence, specializing principally in industry, finance and foreign relations. He spent some five years as foreign correspondent resopnsible for Western Europe, including the League of Nations during its attempts to set up a code of disarmament.

These consultants were named by Ira Mosher, President of NAM, who said:

"This war which we are winning on the military field, must not thereafter be lost on the economic field, as happened after the First World War. It is time we brought into action the special competence of businessmen to advise with the diplomatic peacemakers of the world.

"Thereby we may have a better chance of clearing up the tangled war growth of economic confusion, out of which some new violence may otherwise burst. We should not have to go on verifying in each succeeding generation the principle that we cannot have diplomatic peace and economic war side by side.

"It is encouraging that industry is recognized as a qualified consultant of government representatives at this Conference on International Organization. We hope to be heard likewise at the conference on the final peace."

United States, Britain and Canada Sign Fourth Lend-Lease Agreement With Russia

The State Department announced on April 20 that the United States, Britain and Canada have signed the fourth lend-lease agreement with Russia, in Ottawa, said Associated Press accounts from Washington on April 20, which also had the following to say about the agreement:

The agreement, which was signed on April 17, covers a period from July 1, 1944, to June 30, 1945, having only a little more than two months to run.

No dollar value was placed on the agreement, which was in effect a shipping schedule of supplies which for the most part have alreay been delivered.

It was said that the lend-lease agreement applies only to strictly war-time supplies and that there was no provision for long-range goods for which Russia could pay later. Provisions of that nature were incorporated in the recent British and French agreements.

Russia has put in a request for a $6,000,000,000 credit from the United States, and the signing of the protocol was delayed for several months while the four Powers discussed whether any goods which might be used after the war should be included.

The decision finally was against inclusion, and it appeared that so far as Russia is concerned material for long-range use will be handled either completely separately from lend-lease or await a new protocol. That protocol may not come up until more definite signs have appeared on whether Russia is going into the war against Japan.

The State Department announcement said that the Soviets reaffirmed their determination in the new agreement to furnish "such raw materials, other supplies and services required for war use as can be made available" to the other three Allies.

March Freight Traffic Volume Increased 0.4%

The volume of freight traffic, handled by Class I railroads in March, 1945, measured in ton-miles of revenue freight, amounted to 62,900,000,000 ton-miles, according to a preliminary estimate based on reports received from the railroads by the Association of American Railroads. The increase over March, 1944, was less than 1%.

Revenue ton-miles of service performed by Class II railroads in the first three months of 1945 was 4.1% under 1944, although 2½% greater than the corresponding period two years ago.

The following table summarizes revenue ton-miles for the first quarter of 1945 and 1944:

(000 Omitted)

	1945	1944	% Chge.
Mo. of Jan.	56,845,141	60,487,997	—6.0
Mo. of Feb.	*55,300,000	59,307,320	—6.8
Mo. of Mar.	†62,900,000	62,670,213	+0.4
1st 3 mos.	175,045,141	182,465,530	—4.1

*Revised estimate. †Preliminary estimate.

Bankers Encyclopedia Shows Bank Growth

Totals for all departments of banks continue to increase as the nation operates under a full war-time economy. During 1944, just as in each year since 1938, banking records were shattered by the tremendous growth of United States banks. These facts are revealed by R. L. Polk & Co. in their 101st semi-annual edition of Polk's Bankers Encyclopedia.

The March, 1945, Directory, reports the condition of the 14,758 banks throughout the country as of Dec. 30, 1944. It shows that these chartered banks, with their 3,872 branches, have a total capital account of $10,019,828,000, deposits of $143,317,298,000, and resources of $153,950,694,000. Today the ratio between capital accounts and deposits is one to fourteen.

Deposits have increased more than $24,000,000,000 within the last year (20.4%); $42,000,000,000 within the past two years (41.7%) and over $61,000,000,000 since Pearl Harbor (74.5%). Bank deposits today are more than four times greater than the deposits of 25 years ago.

The past year saw the smallest decline (32) in the number of banks in any year since 1921. There were 202 banks discontinued because of mergers, closings and liquidations in 1944. During the same year 170 new banks were opened, making the highest count registered in nine years.

Numerous changes among bank officers and directors are reported by The Bank Directory. Many women have been elected as new officers.

U. S. and Belgium Sign Lend-Lease Pact

A two-way lend-lease agreement between the United States and Belgium was signed on April 17. The pact states that the United States will furnish up to $325,200,000 in supplies in return for which Belgium will aid the American forces in Europe.

The Associated Press reported from Washington:

The agreement was announced jointly by Secretary of State Stettinius, Secretary of the Treasury Morgenthau and Foreign Economic Administrator Leo T. Crowley, who added:

Belgian aid to American forces now totals about $18,000,000 monthly. American supplies delivered to Belgium as of Feb. 1 totaled $8,120,000, of which $3,346,000 had been paid for in cash.

Total Belgian contributions to Allied forces under General Eisenhower has totaled upward of $107,000,000, of which $48,000,000 went to United States armies, the statement said. Belgian contributions include labor, materials, transportation, airports, buildings and the output of factories and plants.

Under the new pact the Belgian Government will continue this type of aid and also will deliver copper, tin, rubber and other strategic materials from the Belgian Congo. Supplies to be furnished by this country will be used directly in prosecution of the war and include $90,000,000 in raw materials and $75,000,000 in food.

The San Francisco Conference and Peace

(Continued from first page)

observation on the present setting of peace.

With the discovery of new methods of killing; with the shift from wars between men to war against women and children, and with the gigantic destruction of centuries of men's toil a third world war will mean the extinction of civilization.

When we in America took up the sword, it was inevitable from the hates, revenge and violence which would follow this war that we must hold the sword either alone or jointly with others if we would maintain peace.

If the charter at San Francisco emerges with a reasonable hope of success, the United States must take its full part in carrying it out.

As a consequence of this war, Russia has again, and I hope forever, demonstrated by her gallant armies and by her alliance with General Winter and General Space, that she is impregnable. America by her gallant sons and our alliance with General Ocean and General Invention occupies a similar position. Britain's indominatable people allied with General Endurance and General Diplomacy have shown that they can preserve their Empire. But the survival of Western civilization in the United States and in the world depends upon unity in certain principles common to Britain, France and the other democracies.

It is my hope that no cleavage shall develop between Western civilization and the rest of the world which will involve another world war. Truly the world should be too exhausted to suffer a third world war for another 20 years. In the meantime, it is my belief that with collaboration between the great centers of power in Washington, London, Paris, Moscow and Chungking that peace can be preserved, and the processes of peace can be developed in an atmosphere of goodwill and understanding.

But we must build and build the methods to preserve peace.

To Preserve Peace

There are three general methods by which peace can be preserved:

First, through pacific methods, to settle controversies between nations by negotiation, arbitration and judicial decisions. This is the rule of law and justice.

Second, if these measures fail, then the use of force to stop aggression. This is the police power to enforce justice.

Third, beyond these methods there can be no lasting peace unless we summon the moral, spiritual forces which will diminish or stop the underlying dynamic cause of wars.

Dumbarton Oaks

The League of Nations, as you know, was set up with an Assembly of all nations and a Council partly of permanent members comprising certain great Powers and partly of members elected by the Assembly. The League provided for pacific means of settling controversies and for a World Court. It proposed to use economic and military force against an aggressor. The Dumbarton Oaks plan is patterned closely upon the League, with somewhat less authority in the Assembly and more in the Council. In the original Dumbarton proposals the machinery of force to stop an aggressor was made much more powerful than in the League. Force was made its major instrument to preserve peace. At the instant summons of the Security Council, economic boycott, the armies, navies and air forces of the world were to stop an aggressor in his tracks. But a compromise as to voting rights of the permanent members of the Dumbarton Oaks Security Council was agreed upon as the result of Russian protest. By that compromise the great nations who were members of the Security Council have a veto power to prevent any designation of their own actions as aggression. Practically, that puts all the great military Powers out of reach. And world wars are not not started by small nations.

The power of the Security Council was thus devitalized to practically the same level of effectiveness as the Council of the old League of Nations. We saw the practical destruction of the League when it failed to stop aggression of two of its own permanent Council members. That was, Italy's invasion of Ethiopia and Japan's invasion of China. (Please do not confuse these voting powers with those in the Assembly which I am not discussing.)

This retreat in the potency of force seemed to me to make it imperative to develop at San Francisco the pacific methods of maintaining peace, together with a mobilization of the forces which would allay or control the underlying causes of war.

Amendments and Additions to the Dumbarton Oaks Proposals

The proposals which I made three weeks ago to this end were seven in number, to which I will add two more. They are:

First: There are certain fundamental political rights of men and of nations that should be specified in the Charter. There are certain moral and spiritual standards of conduct among nations that should be proclaimed. I proposed we should make them effective by the establishment of a World Committee to promote these political rights. This committee should rank with the Economic and Social Committees already contained in the Dumberton Oaks plan.

Second: We should provide for peaceful revision of onerous treaties between nations at, say, 10-year intervals, in order that political progress in the world should not be frozen with its dangers of violent outbreaks.

Third: We should create regional subdivision of the organization for preservation of peace into three areas, Asia, Europe and the Western Hemisphere; the regional organizations must, of course, be in harmony with the Security Council.

Fourth: We should insist upon total disarmament of the enemy Powers.

Fifth: We should provide prompt proportional post-war reduction in the armies of the United Nations and the establishment of a maximum limit of armies, navies and air power among them.

Sixth: Although it is not a part of the Charter itself, I suggested a method by which the war powers of the Congress could be preserved without delay to action in a crisis.

Seventh: Take enough time in formulating the Charter of Peace to do it right.

And tonight I add two more suggestions. There should be a control of military alliances. There should be a definition of aggression. And Senator Vandenberg's proposal that the Assembly be given freedom of initiative should be adopted.

The purpose of these additions is: First, to surround the mechanistic bones of the Chester with moral and spiritual forces. Second. to create those standards of conduct which should be the base of decision by the Security Council. Third, to reach into the causes of war much more deepiy than just the settling of quarrels and the curbing of gangsters. And fourth, to simplify the work of the organization.

Mankind has made gigantic progress in methods to destroy civilization by improving upon his previous inventions. Likewise, in our efforts to save civilization from war we must not neglect our previous inventions and organizations of peace both for their successes and the causes of their failure.

The Holy Alliance of 125 years ago and its enforcement agency, the Quadruple Alliance, were set up on the theory that the peace of Vienna should be frozen fast by military power. The League of Nations was set up on a more enlightened basis—that if controversies arose between nations they should be settled by pacific means before force was used.

The League of Nations was the greatest experiment in history. It succeeded in settling many secondary quarrels, but it suffered from several grave weaknesses and many handicaps. My suggestions are directed to remedy these weaknesses and handicaps. That experience furnishes impressive reasons for the proposals I have made.

Allaying the Causes of War

The primary weakness of the Holy Alliance, the League of Nations and Dumbarton Oaks proposals is the failure to face the facts as to the real causes of war.

These gigantic explosions of modern civilization into world wars arise from more powerful forces than incidental quarrels. Quarrels are always the symptoms and not the disease. These forces which cause war are too easily obscured by over simplification. They are not wholly the work of evil men or pervented nations to be reformed even by a periodic spanking of aggressors. For purposes of discussion we can group these upderlying dynamic forces as:

First, attempts at domination of other races and the counter-strivings of nations for freedom. That is, modern imperialism.

Second, its handmaiden, militarism with its train of armies and military alliances.

Third, economic pressures.

Fourth, crusades for faiths, including economic faiths. That is, militant idealogies.

Fifth, the impulses to change which are inherent in the progress of civilization.

Sixth, the complexes of fear, hate and revenge.

As I have said, we cannot make a lasting peace unless these forces be so channeled that they cease to drive the world into wars. That was the major cause of failure at Versailles.

The Versailles Treaty consisted of 623 paragraphs, of which 26 were devoted to the creation of the League of Nations. The origins of the present war lay largely in the 597 paragraphs defining the set-up of nations, their boundaries, the reparations, the military and economic questions. Imperialism, militarism, economic pressures, hate and vengeance sat at that peace table. Many of the underlying causes of war were perpetuated and some of them were stimulated to more violence.

Because of the weaknesses and handicaps of the League it was not strong enough in after years to cope with the situation created by the war settlements. Some superficial thinkers assert the League failed because the American people refused to join. That would not have saved the Treaty of Versailles.

Men at Versailles realized the weakness of the League, but they said we should avoid difficult questions in the Covenant. They said what we needed to do was to get some sort of League going and it would solve these questions. It never did. The same kind of voices are being raised today decrying any attempt to improve the San Francisco agreement.

Now we are fighting the second world war because of these sins of omission and commission in the Treaty of Versailles and the League's inability to preserve peace.

Establishing the Rights of Nations and Men Against Domination

Twenty-eight years ago President Wilson, among his points, sought to infuse a moral and spiritual element in the peace. He sought to establish the political rights of nations and of men. He sought to formulate standards of conduct and law among nations. He sought to curb and allay the causes of war. These ideas received scant support at Versailles.

When this second world war came, 20 years later, we were told repeatedly and eloquently that after the defeat of the enemy the great purpose of the war was to establish the political rights of nations and men. Those rights as proclaimed by Mr. Wilson's points were again reaffirmed in the Atlantic Charter. Twenty-six countries signed it, including Russia. These principles and others were affirmed in the Moscow and in the Yalta declarations and in a hundred speeches of our leaders in war.

These statements specifically include the right of peoples to equal sovereignty, freedom from aggression and domination by others and the right of nations to determine their own government without interference. They particuarlize that there shall be no aggrandizement, no annexations, and no territorial changes without the freely expressed wishes of the peoples; that nations have the right to determine their wishes by unfettered elections, by free secret ballot and under international control if necessary. They assert the right of freedom of the seas in peace times and equality of trade. They also proclaimed disarmament; that nations should never use war as an instrument of national policy; and that peace must be based upon justice.

Beyond these rights and standards of conduct of nations there are the rights and protections of human beings. These have been eloquently and repeatedly stated by our leaders in this war. Their establishment is proclaimed to be also one of the purposes of the war. Their all-inclusive term is freedom of men. They at least include protection of persons from execution or imprisonment without fair trial; prohibitions against compulsory labor or slavery in any disguise; protections to minorities and backward peoples; the freedom of speech, of the press and of religion.

Nor are these rights of men strange ideas. The essence of them appears in American, British, and also the Soviet Russian constitutions.

When we come again after twenty-five years to San Francisco to write the Charter of Peace, why do we not remedy the failure of a quarter of a century ago? There is nowhere else in this treaty making that we record the moral, spiritual and lawful standards of conduct among nations and men.

Nor should this be done by timid references to the Atlantic Charter with all its qualifying words of "hopes" and "desires." If these principles are right, they should be boldly stated.

Vital experience in all this matter is to be derived from our American experiment in government. There was genius in the mechanism of the American Constitution. But its transcendent genius was its great moral and spiritual base in the Bill of Rights. This government would never have endured had it been a mechanism alone.

And if these rights are to be effective, they cannot be left alone to perform themselves. There should be a World Committee in the new organization whose job is to look after them.

By the magnificent valor of the armies and navies we have won the Battle of the Atlantic, the Battle of the Pacific, the Battle of the Philippines. We are near to victory in the Battle of Germany and the Battle of Japan. But are we winning the Battle of Freedom?

Americans must face brutal facts. As the result of this war the area of human freedom will shrink *by* whole nations. It is shrinking *in* many nations. Are we going to dodge these issues at San Francisco?

Easing Strains by Peaceful Change

Three years ago I stated that one great weakness of the League was that it made no adequate provision to ease strains by orderly change in agreements between nations when they became onerous or inapplicable. Inasmuch as violation of peace treaties became aggression, the League became the defender and the guarantor of the *status quo*. In fact the intention of some of its founders was just that. Its failure to ease pressures contributed to World War II.

Once we settle down to peace again there will be treaties defining boundaries and other relations or imposed relations of nations. The aggressor will again be anyone who violates the then existing situation. Thus the world organization and thus the American people automatically become the guarantor of a new *status quo*. And as the war settlements have not yet been made we are in the dark as to what we are about to guarantee.

Abundant experience after the last war demonstrated that dangerous pressures are sure to arise. There will be provisions imposed during the heat of war emotions. There will be the shift in economic pressures and populations. There will be the growth of ideas and inventions. There will be the development of backward nations which become conscious and capable of self government.

And let no man think that there will not be unpredictable forces and pressures in the world after this war. If we can scan former convulsions of the modern Western world we see that, following these long periods of general war and disorder, new shapes of civilization and new forms of nations have emerged. Civilization has taken new impulses and new directions. We must expect new forms and new directions from this gigantic explosion. No one can pretend to see these shapes clearly. But we must not attempt to freeze the world again, or it will explode again.

If peaceful means are denied, war becomes the only available solvent.

Regional Organization to Relieve Strains

Another weakness of the League was that its Council was overburdened with all the minor troubles and confused voices of the world at every session.

To relieve these strains there should be a definite regional setup into the three great separate areas of the world—Europe, Asia and the Americas. The Asian Council could by virtue of its interests include not only the Asiatic nations but also Britain, Russia, France and the United States.

The regions could each settle most of their problems far better than it can be done by more distant nations. This confusion of voices led secretaries of State to by-pass the League. And Secretaries of State should be the representatives in person on these regional councils within their own areas. It would lend dignity to the organization. It would thus cure another of the League's weaknesses by sending a boy to do a responsible man's job.

Each region should have the first responsibility to keep the peace and devise policies for peace. Any use of force should be reserved to the Security Council. It would thus be free to deal only with questions that contain dangers of world war. This method would also give the smaller nations the larger voice they need. It would relieve America and other nations from the strains of many a minor foreign dispute. This would seem to be practical for Mr. Churchill has endorsed it. The Department of State has already taken a long step in this direction at the Mexico City conference.

Stopping Militarism

Another lession we learned from the weakness of the League was the lame provision for reduction of arms and the lack of control of military alliances. Herein are the sleepless bacilli of militarism.

I proposed that at San Francisco we should stiffen the whole attack upon these causes of war; that we agree to total disarmament of Germany and Japan with no manufacture of weapons for a whole generation or until they have forgotten the know how of war. And equally important, that the United Nations should set up a program to reduce progressively and proportionately their own arms and do it quickly after the war.

There should also be some control of military alliances by the Security Council. The multitude of these alliances after the last war inspired fear, counter-alliances, increase of armament. They made for balances of power, and they created voting blocs in the League. They not only weakened the League but they contributed to World War II.

Defining Aggression

Aggression in this world is not confined to the old-fashioned threats or to military action or even to economic pressures. Our experience with the Nazis who infiltrated their poisonous propaganda and fifth columns into the lands of peaceful neighbors should indicate that there is a new form of aggression in the world.

Therefore the San Francisco Charter should agree upon a definition of aggression to include direct or indirect subsidized governmental propaganda in other nations. The enforcement of such a provision would help cure that cause of wars which grows out of crusading faith, political or otherwise.

We Should Not Be Stampeded Into Blunders

We cannot hope for perfection. In an event the Dumbarton Oakes press release does not purport to be the form of a treaty. It is a statement of principles. It must be drafted into precise terms. It is the height of wisdom that the people of the world should have a chance to see its final wording and to have a period in which to consider and even improve the will be more certain to last.

We do not have to hurry. It we take six years to make war it might be a good idea to take a few more months to build a sound organization to keep the peace. It was seven years from Yorktown to the Constitution.

The War Settlements

Beyond the San Francisco charter one half of the making of peace will lay in the political, economic and territorial settlements of the war. If we do them well, peace will largely preserve itself. If we do them badly, no organization to maintain peace can succeed. I shall discuss these questions on some other occasion, but here I may say that we must not again sow dragons' teeth. And appeasement is a dragon's tooth.

In Conclusion

Truly, peace is a matter of spirit; it hests upon moral forces, upon the building of good-will among mankind.

The Sermon on the Mount launched that transcendent concept of good-will among men as the basis of peace. And despite all his volations man has received from that Divine message an undying inspiration to strive for peace. Those spiritual concepts of peace have at least brought it to pass that every war must be professed by its leaders as a war of defense and for the purpose of securing peace. They have brought into the world the concept that aggression is an infamy. And that domination over unwilling people is immoral.

The great purpose of America in this war is lasting peace. That is all that we can possibly get from this dreadful sacrifice of life and the awful burdens upon our children. If the world will cooperate to give our children this boon, their tears will not be less but their labor over years to come will be brightened with confidence and the future lighted with hope.

We must not fail now.

Mother's Day Proclaimed By President Truman

President Truman on April 18 proclaimed Sunday, May 13, as Mother's Day in acknowledgment of the nation's "gratitude, love and devotion" to the nation's mothers. The proclamation, as given in Associated Press advices from Washington, April 18, follows:

Whereas, It is fitting that we acknowledge anew our gratitude, love, and devotion to the mothers of America; and

Whereas, In this year of the war's greatest intensity we are ever mindful of their splendid courage and steadfast loyalty to the highest ideals of our democracy; and

Whereas, Congress by joint resolution approved May 8, 1914, set aside the second Sunday in May as Mother's Day, and acclaimed the service rendered the United States by the American mother as "the greatest source of the country's strength and inspiration";

Now, therefore, I, Harry S. Truman, President of the United States of America, do hereby request the observance of Sunday, May 13, 1945, as Mother's Day, and call upon the officials of the Government to display the flag of the United States on all Government buildings, and the people of the nation to display the flag at their homes or other suitable places, on that day. And I urge that by our prayers, by our devotion to duty, and by evidences of affection, we give expression to our love and reverence for America's mothers.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this seventeenth day of April in the year of Our Lord nineteen hundred and forty-five, and of the independence of the United States of America the one hundred and sixty-ninth.

HARRY S. TRUMAN.

General License For Trade With France

A general license relating to trade and other current transactions with France, including her colonies, was issued on April 14 by the Treasury Department. This license is the first of its kind issued with respect to any liberated country and is a major development in the Treasury's program of lifting the freezing restrictions as rapidly as conditions permit.

Under General License No. 90, trade between France and the United States or the generally licensed trade area may be carried on through normal banking and commercial channels without obtaining specific Foreign Funds Control licenses. Accordingly, shipping, title and other documents incident to trade with France may now freely be transmitted. The license provides, however, that payment for goods exported from France may be made only by depositing the dollar amount in an American banking institution to the credit of the consignor or a bank in France, or by the purchase of francs from a licensed exchange dealer.

Dollars accruing in French accounts maintained with domestic banks from French exports may in turn be used to finance payments in the United States or to effect remittances from France to the United States. They may also be transferred from the account of one French bank to the account of another. Balances which have accrued since Nov. 4, 1944, from remittances to France may likewise be freely used for these purposes.

In addition, the general license permits the collection for French account of certain types of financial instruments, and provides that the proceeds of these collections may be utilized in the same manner as the proceeds of exports from France.

It was pointed out that French assets in this country continue to be blocked and that only the balances specified in the general license may be utilized for trade transactions and other current payments. Withdrawals from other Frencfh balances may only be made pursuant to appropriate license. It was also emphasized that the license does not authorize any transactions on behalf of nationals of blocked countries who are not within France or the generally licensed trade area.

Foreign Trade Council Directors Elected

Election of 10 directors of the National Foreign Trade Council for terms expiring in 1950 was announced recently by Eugene P. Thomas, President of the National Foreign Trade Council, following the annual meeting of Council members.

These directors are as follows: B. C. Budd, Vice President, and General Manager, Packard Motors Export Corporation, New York; E. A. Emerson, President, The Armco International Corporation, Middletown, Ohio; James A. Farley, Chairman of the board, The Coca Cola Export Sales Company, New York; W. Latimer Gray, Vice President, The First National Bank of Boston, Boston, Mass.; A. E. Mallon, Vice President and Treasurer, Pillsbury Flour Mills Co., Minneapolis, Minn.; Leigh C. Palmer, Vice President, American South African Line, Inc,, New York; W. H. Stanley, Vice President, Wm. Wrigley Jr. Company, Chicago, Ill.; Wendell R. Swint, Director, E. I. duPont de Nemours & Co., Wilmington, Del.; R. F. Warner, partner, Frazar & Company, New York, and R. W. Woodruff, Chairman of the board, The Coca Cola Company, Wilmington, Del.

House Bill to Speed Profits Tax Refunds

Legislation has been introduced by Representative Frank Carlson (Republican, Kansas) to permit corporations to obtain their post-war excess profits tax refunds 60 days after V-E Day, the Associated Press reports from Washington, April 9.

The present statutes provide for rebates two, three, four and five years after the war.

According to Mr. Carlson his proposal is "the first step in a series of tax moves that should bring full employment."

In a formal statement, the Associated Press reports him to have said:

"The war in Europe is rapidly drawing to its conclusion and industry must make plans for reconversion. We need immediate production of peace-time goods, production that will furnish employment and maintain a high level of national income after the Government spending declines."

Russia Using German Labor To Clear War-Torn Areas

The Russians have already put into effect their declarations which call for transportation of Germans into Russia to help clean up the war-torn cities of the Soviet.

Associated Press advices from Washington, D. C., said on April 16.

This became evident from diplomatic information reaching Washington. It disclosed that:

1. About 70,000 men and women out of the half-million Germans in Rumania—where they fought with and supported the Nazi armies—have been removed to the Soviet Union. Originally Moscow wanted to take virtually the entire half-million, but American and Allied intervention against such a transfer caused Russia to reconsider.

2. An estimated 100,000 Germans have been removed from Yugoslavia. Presumbaly they also were sent into Russia, but Marshal Tito handled the operation himself and refrained from reporting it to his western allies. All that seems reasonably well established is that they have gone from Yugoslavia.

3. In addition, still another 40,000 persons, who originally lived in Bessarabia, now Russian, have been sent back to that former Rumanian province from Rumania. They fled from Bessarabia before the Red Army, and the Russian explanation for returning them is that they are displaced peoples being put back into their homes. This explanation has been accepted here.

Congress Backs Byrnes Post-war Proposals

Former War Mobilizer Byrnes' extensive post-war legislative proposals received quick action on April 1 by Congressional leaders.

Most of the legislation Mr. Byrnes suggested is already introduced into Congress.

Associated Press, Washington Bureau, on April 1 also reported:

House committee chairmen said they would get to work immediately on the others—and they predicted passage for his major proposals, with the notable exception of manpower controls.

In his second reconversion report Byrnes recommended to Congress:

Enactment of the Bretton Woods agreements, strengthening of the Export-Import Bank, a unified soil conservation program, a permanent and expanded school lunch program, repeal of the Johnson Act which forbids American bankers to do business with foreign countries which have defaulted their war debts.

Steel Output Up Sharply

Steel production in March, 7,724,756 net tons, was the third highest of any month on record, according to the American Iron and Steel Institute, and was exceeded only by March, 1944, when 7,820,226 tons were produced and by October, 1943, when 7,814,117 tons were made. The Institute further reported as follows:

"The high rate of production in March failed to offset the adverse effects of bad weather and manpower difficulties earlier this year, with the result that production in the first quarter fell more than 1,000,000 tons below that in the corresponding quarter of 1944.

"A total of 21,581,859 tons of steel was produced during the first three months of 1945, as against 22,595,283 tons in the first quarter a year ago.

"During March, steel plants operated at an average of 95.2% of capacity, compared with 90.8% in February, when 6,652,800 tons were produced, and with 98.5% in March, 1944.

"An average of 1,743,737 tons was produced per week during March, compared with 1,663,200 tons per week in February and 1,765,288 tons per week in March of last year."

M't'ge Recordings in Feb.

Recordings of urban mortgages throughout the nation during February totaled approximately $339,000,000, an increase of about 9% over the same month in 1944, according to estimates announced on April 7 by the Federal Home Loan Bank Administration. A drop of 4% from the January, 1945 level of $355,000,000 reflects slight declines among all categories of lenders in response to normal seasonal fluctuations.

The FHLBA's report continued:

Savings and loan associations remain in top position as to volume, writing about a third of all mortgages; and their February business was less than ½% behind that of the preceding month. Other types of lenders, while retaining their relative rank in the non-farm home financing field, showed declines from 2% for commercial banks to 17% for mutual savings banks.

Individual lenders have maintained last month's participation with a ratio of 28% of all mortgages recorded in February.

These estimates are based on compilations of mortgage recordings of $20,000 or less. The number and amount of such mortgages recorded in February, by type of lender, are as follows:

	Number	Amount	Per Cent
Savings and loan associations	34,288	$111,176,000	32%
Insurance companies	3,116	16,034,000	5
Banks and trust companies	17,721	63,933,000	19
Mutual savings banks	2,508	10,343,000	3
Individuals	34,033	93,248,000	28
Others	10,837	43,963,000	13
Total	102,503	$338,697,000	100%

Consolidated Farm Loan Bonds Called

The 12 Federal Land Banks are calling for redemption on May 1, 1945, at par and accrued interest, all the $157,278,000 outstanding consolidated Federal Farm loan 3¼% bonds of May 1, 1945-1955, according to announcement by W. E. Rhea, Land Bank Commissioner, released in New York through the office of Charles R. Dunn, fiscal agent. The 12 banks have designated the Federal Reserve banks and branches and the Treasury Department, Washington, D. C., as agencies for the payment of the bonds. Interest on the bonds will cease on the redemption date.

The State of Trade

(Continued from page 1858)

producers are in no position to make delivery promises on new orders. Sheet and bar mills in Canada are booked into the last quarter, and even for the last of the year delivery dates are questionable. Minor tonnages only are available for civilian production, and are not expected until VE-Day. Cutbacks at that time are expected to approximate 20 to 40%.

The American Army revised program on freight car equipment for foreign use, it is reported, now stands at around 10,000 cars of various sorts for Belgium, 38,250 for France and 6,000 for India. This is entirely a long range program to be started off with construction of around 10,000 cars during the fourth quarter of this year.

Major construction awards of the week, as enumerated by the trade paper, include one for 3,800 tons of steel for Navy storehouses at San Diego. One inquiry being made for boiler and turbine room additions involves 3,000 tons. Building circles report that Rockefeller Center, New York, is interested in about 6,000 tons of structurals for a new office building, while other projects include bids the past week on structural steel required for a new tire plant, 1,750 tons of shapes and bars for trailers, 1,400 tons of bar angles for barrel rings, and 4,000 tons of bars for chemical shell bodies.

The American Iron and Steel Institute announced last Tuesday that the operating rate of steel companies (including 94% of the industry) will be 93.2% of capacity for the week beginning April 23, compared with 91.9% one week ago. This week's operating rate represents an increase of 1.3 points from last week's rate, and is equivalent to 1,707,100 net tons of steel ingots and castings, compared to 1,683,300 net tons last week and 1,791,300 tons one year ago.

Railroad Freight Loading—Carloadings of revenue freight for the week ended April 14, 1945, totaled 846,391 cars, the Association of American Railroads announced. This was an increase of 81,628 cars, or 10.7% above the preceding week this year and an increase of 47,708 cars, or 6.0% above the corresponding week of 1944. Compared with a similar period of 1943, an increase of 65,483 cars, or 8.4%, is shown.

Electric Production—The Edison Electric Institute reports that the output of electricity decreased to approximately 4,332,400,000 kwh. in the week ended April 14, 1945, from 4,321,794,000 kwh. in the preceding week. Output for the week ended April 14, 1945, was 0.6% above that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports System output of 160,000,000 kwh. in the week ended April 15, 1945, comparing with 197,800,000 kwh. for the corresponding week of 1944, or a decrease of 19.2%.

Local distribution of electricity amounted to 158,400,000 kwh. compared with 197,100,000 kwh. for the corresponding week of last year, a decrease of 19.7%.

Coal, Coke and Crude Oil Production—For weekly coal and coke production statistics and daily average crude oil production figures for the week ended April 14, 1945, see subsequent pages of this section.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 463 reporting mills were 0.3% above production for the week ended April 14, 1945, while new orders for these mills were 2.7% more than production. Unfilled order files amounted to 111% of stocks.

For the year-to-date shipments of reporting identical mills exceeded production by 8.0% and orders ran 15.2% above output.

Compared to the average corresponding week of 1935-39, production of reporting mills was 9.6% greater, shipments 4.2% greater, and orders 8.8% greater.

Paper Production—Paper production for the week ended April 14 was 87.4% of capacity, as against 86.8% of capacity for the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. As for paperboard, production for the same period was reported at 97% of capacity, or an increase of 5 points from the previous week.

If the WPB's drive to direct manpower into the forest industries is effective, an increase in the pulpwood supply should become evident in the third quarter, industry opinion holds.

Silver—The London market for silver was unchanged at 25½d. The New York Official for foreign silver continued at 44¾c. and 70⅝c. for domestic silver.

Trade Index at Peak—In March the volume of consumer spending—including retail trade, rent, personal services, and so on—rose to new heights. The preliminary seasonally adjusted United States Trade Barometer stood at 212 (1935-1939=100). This level established a new all-time high and is well above the previous record of 206.8 last November. Factors contributing to this monthly rise of 5.3% and an increase of 15.5% over the same month of last year were numerous; primarily the early Easter this year and good weather boosted volume. Equally important were the maintenance of high employment and payrolls and the recent step-up in war output which have supported the current high level of general business activity. Trade seasonally increases in January, February, and March; the mounting adjusted barometer throughout these months indicates better than average gains. The 15.5% increase over the same month of last year is the largest such comparison that has been made, with the exception of last December, 1944, for over a year.

The trade barometer is different from other indexes of business conditions issued by various organizations in that it represents only the flow of goods and services into consumptive channels, measuring as it does, the fluctuations in the grand total of consumer purchases of goods and services.

Business Failures Increase—Commercial and industrial failures in the week ending April 19 took an upswing, rising above last week and the comparable week a year ago. Concerns failing numbered 24 against 17 in the previous week and 20 in the same week of 1944, according to Dun & Bradstreet, Inc.

It noted that the increase in failures the past week was sharper in small concerns involving less than $5,000 in liabilities. In this group, failures were two times higher than the number in the comparable week of last year. Large failures with liabilities of $5,000 or more rose only from nine a week ago to 11 in the week just ended and were below those in the same week last year.

In all trade or industry groups except construction, failures the past week were higher or equal to their number in 1944's comparable week. As compared with the week previous, however, retailing and wholesaling were the only lines to show a sharp rise, while failures in manufacturing fell to half the number last week. Geographically, most of the week's increase in failures was concentrated in the Middle Atlantic States. Three failures were reported in Canada as compared with none in the prior week and one in the corresponding week of 1944.

Wholesale Commodity Price Index—The daily price index of wholesale commodities, compiled by Dun & Bradstreet, Inc., moved slightly downward during the past week after registering 176.63 on April 3, a new wartime high. The index registered 176.55 on April 17, compared with 176.59 a week earlier.

Food Price Index Unchanged—For the first change in nine weeks, the Dun & Bradstreet wholesale food index for April 17 rose 1 cent, to $4.11. Never before since it was started in 1916, has the index remained unchanged for so long a period.

The index represents the sum total of the price per pound of 31 foods in general use.

Retail and Wholesale Trade—Retail sales for the country as a whole were in the aggregate lowered the past week by the Saturday closing in memory of the late President Roosevelt. Average daily volume, according to Dun & Bradstreet, Inc., approximated that of a year ago. Silverware, toilet articles, china, household furnishings and millinery were in brisk demand. A mixed trend in ready-to-wear sales was exhibited during the week with activity in some lines remaining at favorable levels, while others lagged. Good gains were noted in such varied lines as hardware, auto accessories, sporting goods and in drug store sales. Scarcities, the bugaboo of present times, were evident in a growing number of retail lines and were the dominant factor in the reduced sales of infants' year, men's furnishings and some foods.

In apparel lines, sportswear sales climbed in the week and the volume of shorts and slacks were on the upgrade. Inexpensive dresses sold in larger volume and suits continued in popular demand. Jewelry and shoes continued among the ranks of sales leaders, while shoe inventories touched low levels. In the non-rationed specialties, sales were brisk. There was a tremendous volume of sales of blouses the past week with all lines of dresses continuing to sell well, though coat sales gave evidence of a slower pace.

Activity was rather marked in home furnishings but limited assortments tended to hinder an expansion in actual volume. Considerable interest was reported for staple bedroom and dining-room suits, but as in other lines, furniture supplies, including hardwoods, veneers and glues continue low. Piece goods departments still enjoy an excellent volume which is shared by button, ribbon, and other trimming departments.

Food distribution remained spotty, due to shortages, and volume was little changed from the previous week.

Retail trade for the country was estimated to have dipped considerably below a week earlier and from 2% below to about 3% above a year ago. Regional percentage increases were: East, 1 to 3%; Northwest, 4 to 7%; South, 6 to 8%, and Southwest, 2 to 6%. Regional percentage decreases occurred in New England, 0 to 3%; Middle West, 2 to 5%, and Pacific Coast, 4 to 6%.

Less activity prevailed in wholesale markets the past week and volume reflected only a slight increase over that of a year ago. Orders in the main continue to run in excess of available supplies with deliveries at a low level. Fall buying was somewhat confined and has failed to show any appreciable pickup customary at this time of year. In apparel lines manufacturers were awaiting the issue of MAP before displaying fall lines. A limited amount of advance buying has taken place in fall coats and suits. Items for main floors, such as costume jewelry, handbags, gloves, handkerchiefs and neckwear, department store buyers report, are becoming more difficult to secure. There is a noticeable increase of buyers in the markets seeking to obtain merchandise.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 3% ahead of that of a year ago for the week ended April 14, 1945. This compared with a decline of 13% in the preceding week. For the four weeks ended April 14, 1945, sales increased by 5%, and for the year to date by 14%.

Retail trade here in New York in most all lines of distribution were active the past week. Retail sales of food improved compared with the week previous, due to fresh vegetable shipments, but scarcities reduced wholesale volume. Fall apparel plans were advanced somewhat last week following the announcement of the long overdue maximum average price plan and the revised M-388, which received strong opposition by manufacturers here in the nature of protests. Consumer demand for furniture was marked, but retailers closely scrutinized inventories because of the increasing shortage of upholstery coverings.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to April 14, 1945, increased by 6% above the same period of last year. This compared with a decrease of 2% in the preceding week. For the four weeks ended April 14, 1945, sales rose by 9% and for the year to date by 14%.

Treasury Certificates Of Indebtedness

The Secretary of the Treasury on April 19 announced an offering, through the Federal Reserve Banks, of ⅞% Treasury Certificates of Indebtedness of Series D-1946, open on an exchange basis, par for par, to holders of Treasury Certificates of Indebtedness of Series D-1945, maturing May 1, 1945. Cash subscriptions were received.

The certificates offered were dated May 1, 1945, and will bear interest from that date at the rate of ⅞ of 1% per annum, payable semi-annually on November 1, 1945, and May 1, 1946. They will mature May 1, 1946. They will be issued in bearer form only, in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000.

The treasury announced the following day that subscription books were closed at the close of business Saturday, April 21, except for the receipt of subscriptions from holders of $100,000 or less of the maturing certificates. The subscription books will close for the receipt of subscriptions of the latter class at the close of business April 25.

Life Insurance Men to Discourage Replacement Of Government Policies

A nation-wide campaign to help returning veterans keep their Government life insurance in force was announced today by three of the country's leading veterans' organizations in cooperation with the Veterans Administration and a Joint Committee representing the life insurance business. The veterans organizations cooperating in the plan are the American Legion, the Veterans of Foreign Wars and the Disabled American Veterans.

The heads of these three organizations have sent to all of their local posts or chapters throughout the country material concerning the plan, under which the principal life insurance organizations of the country are pledging themselves to cooperate in protecting the interests of veterans. Under the plan, life insurance men are recommending continued holding of Government insurance, rather than its replacement by policies in private companies.

To Legislate for Congressional Control of Federal Bureaus

The Senate Banking and Currency Subcommittee, which has opened hearings on the Government Corporation Control Act, of which Senator Harry F. Byrd (Dem., Va.) is co-sponsor, learned from Comptroller General Lindsay C. Warren that his office wholeheartedly endorsed the bill, according to Associated Press advices from Washington, April 20. The report states that Mr. Warren said:

"If the present trend of creating Government corporations continues or is not curbed, we will soon have a Government by Government corporations." Asserting there now are 101 Government corporations, he said:

"They are largely independent of Congressional control and free from accountability to the Executive. This thing we call Government has reached gargantuan proportions and is sprawled all over the lot. It has become greater than Congress, its creator, and at times arrogantly snaps its fingers in the face of Congress.

"The only way to reorganize is to reorganize," Mr. Warren said with emphasis. "It calls for great courage. Duplication and overlapping are widely prevalent. Untold billions could be saved and efficiency created to a high degree."

Senator Byrd himself told the committee, according to a statement in the "Journal of Commerce," Washington, April 20, that by the operation of the 44 existing Government corporations "Congress has lost specific control over the expenditure of vast sums of funds for which, under the Constitution, it is responsible to the citizens of America."

The "Journal of Commerce" continues by saying that the measure is seen as being aimed at wider Congressional control over the Government corporations in view of the possibility that some of their vast industrial holdings may be in competition with private industry after the war and because there is prospect of widened use of subsidies, support prices and other economic controls in the post-war period."

"Present plans indicate much post-war activity for Government corporations," Senator Byrd said, "and it is an opportune time to establish proper and adequate safeguards."

He charged that certain of the Government corporations have used funds foreign to purposes authorized by Congress, particularly in the payment of subsidies, "which are not recoverable and should be approved by Congress, if made, by means of direct appropriations."

Senator Byrd pointed out that the 44 corporations have the power to borrow upon Government credit approximately $32,000,000,000. But, he added, that sum can be pyramided many times, as, when repayments are made, the receipts of those corporations are in the nature of a revolving fund and can be expended or reloaned without the specific control of Congress.

For example, he said the Reconstruction Finance Corporation, with a borrowing capacity of about $14,000,000,000, operates as a revolving fund and the total authorizations of RFC for all purposes have been $46,500,000,000.

Many of the Government corporations, Senator Byrd said, have been established without Congressional authority by the creation of subsidiaries — such as the nine subsidiaries of RFC.

United States Mission to Argentina Concluded

With the departure of Avra M. Warren for San Francisco, the United States mission to Argentina is ending its visit, according to advices to the New York "Times" from Buenos Aires, April 20. The report went on to say that, speaking informally to the press, Mr. Warren said the purpose of his visit was to "explore new means of effective cooperation whereby the United States and Argentina, now bound by the new tie of co-belligerency, can hasten the victory against Germany and Japan and insure a post-war world of greater security and permanent peace."

He added that in his conversations with the highest officials of the Argentine Government he has broached the topics mentioned in the final act of the Mexico City conference and that "it is gratifying to encounter in Buenos Aires the official and public desire to fulfill the conclusions of that conference and to strengthen the usefulness and helpfulness of the inter-American system."

As for the military aspects of his mission, Mr. Warren said that "it is anticipated that an exchange of views between high officials of the United States and Argentine armed services will lead to measures helpful to the war effort." His words seemed to indicate that no final conclusions yet had been reached in this field.

Mr. Warren also stated that his mission had discussed numerous aspects of economic relations between the United States and Argentina and that "these candid conversations led to a better mutual understanding of current problems and this cannot fail to result in steps advantageous to the war effort and to our reciprocal relations."

Apart from the military and economic aspects of his mission, which was intimately bound up with the war effort, it is understood that Mr. Warren was interested chiefly in clarifying the new situation arising from Argentina's acceptance of the final act of the Mexico City conference.

Meanwhile it was learned, the New York "Times" report continues, that Argentina voluntarily has expressed a desire to contribute to the United Nations Relief and Rehabilitation Administration in the same measure as the other American Powers.

In the political field it is understood that Argentina made the first move with a view to signing the United Nations declarations and becoming a member. It appears that recognition of Russia is not a necessary preliminary, since more than one of the United Nations has no relation with the Soviet Union, but there is reason to believe, nevertheless, that the reestablishment of Russo-Argentina relations is under consideration.

Despite the optimistic statement made by Acting Foreign Minister Ameghino yesterday, little probability is seen of Argentina's being invited to the San Francisco conference, if for no other reason than because there is no time.

Russia in Mutual Aid Pact With Poles

Signing of "a treaty of friendship, mutual assistance and post-war collaboration" by Russia and the Soviet-sponsored Polish Provisional Government was announced formally by the Moscow radio, according to Associated Press dispatches from London, April 22. The dispatch said that the Polish radio at Lublin had announced the signing earlier.

An idea may be had of the importance which Premier Stalin attached to the pact by the speech which he made for the occasion. Terming the treaty "a guaranty of the independence of a new democratic Poland," according to the Associated Press, he continued:

"Now it is possible to say with assurance that German aggression is checked from the East. Undoubtedly this barrier on the East will be supplemented by a barrier from the West, that is by an alliance of our countries with our allies on the West. Then it may boldly be stated that German aggression will be restrained and will not be easily loosed," and concluded with: "I do not doubt that our allies in the West will hail this treaty."

The Associated Press stated that the treaty had been signed by Premier Stalin for Russia and Edward B. Osubka-Morawski for the Polish Government. Its preamble is said to state as its first aims "to wage war jointly against the German invaders to complete and final victory" and "to consolidate the basic change in the history of Soviet-Polish relations into the friendly allied cooperation which has been former between the U. S. S. R. and Poland in the course of the joint war against German imperialism."

Surplus Property Disposal Powers Transferred

Transfer of the surplus disposal powers of the Treasury Procurement Division to the Department of Commerce, headed by Henry A. Wallace, by order of President Truman, has been announced by Fred S. Vinson, Director of War Mobilization and Reconversion, according to a "Journal of Commerce" report from Washington, dated April 18, which went on to say:

Thus Mr. Wallace gains authority over Government disposal of the type of surplus goods being sought most by farmers and business, particularly small business.

The move, observers noted, should give Mr. Wallace extended means of carrying out certain of his theories of business and commerce which were particularly ill received by the Congressional bloc that denied him the broad loan powers of the Reconstruction Finance Corporation and allowed him the Commerce Cabinet post only after RFC had been divorced from it.

It was pointed out, however, that the disposal activities of the Department of Commerce, like those of the four other domestic disposal agencies, will be confined within limits specified under Surplus Property Board policy.

It also was pointed out that any strong Congressional opposition to the transfer of consumer goods disposal authority to Mr. Wallace might be registered through changes in legislation which was introduced today to divorce SPB from OWMR and establish it as a separate agency. A bill to that end was introduced in the Senate by Senator Brien McMahon (Dem., Conn.).

Vinson Explains Change

In announcing the transfer of surplus authority from Treasury Procurement to the Department of Commerce, Mr. Vinson said that the change was being made in order to place the authority "under a parent agency whose functions are closely associated with the commercial and industrial life of the nation."

The amount of surplus consumer goods is expected to run into billions of dollars at the close of the war, when most of the vast amount of goods and equipment which was bought for war purposes but can be converted to civilian use becomes excess. Under the heading of surplus consumer goods are wearing apparel, shoes, farm implements and certain types of machinery, along with an almost endless list of other items which have no specific classifications.

The manner in which surplus consumer goods are made available to the public is expected to affect the country's entire business economy and the administration of their disposal, therefore, can be expected to draw almost constant Congressional attention.

Fenton of "Times" Dies

Walter Joseph Fenton, since 1928 assistant city editor of the New York "Times," died on April 18 at 50 years of age.

The New York "Times," commenting on his death, said:

Mr. Fenton, who was one of the best known newspaper desk men in New York, was a veteran of almost 40 years in the newspaper business, despite his age. He was widely known and respected for his ability as an organizer of the news coverage of big stories. His helpfulness and encouragement to young reporters was a by-word in the "Times" office.

During his career he handled some of the biggest stories that made newspaper history. Among these were the death of President Roosevelt and Pearl Harbor.

He also contributed articles to the Sunday magazine and the Review of the Week sections of the "Times."

Before going to the "Times," in 1926, he served with the "World" and "Tribune" in varying positions from office boy to assistant city editor. He entered the employ of the "Times," and two years later he was made assistant city editor of that paper, the position he held until his death.

Additional Mail Service To The Netherlands

Postmaster Albert Goldman announced that letters not exceeding 1 ounce in weight and nonillustrated postcards will now be accepted for mailing to the areas of the Netherlands to which mail service has been extended.

Mail service under the restrictions mentioned is now available to the entire southern part of that country west of the German frontier and south of a line from the frontier extending west through and including the towns of Cuijk, Engelen, Cromvoirt, Zevenbergen, Willemstad, Kruisland, and Halsteren; also to the islands of Walcheren, Noord-Beveland and Zuid-Beveland. The post rates are 5 cents for letters and 3 cents for post cards.

Registration, money-order, airmail and parcel-post services are not available at present.

Aircraft Financing Manual Issued by ABA

The Consumer Credit Committee of the American Bankers Association recently issued a booklet, "Aircraft Financing," which informs bankers on the possibility of post-war financing of airplane sales. The manual, which is available on request, contains information received from aircraft financiers before the war, such as insurance on such financing, the legal aspects connected with government regulations of aircraft and various sample forms for ownership, insurance, registration and other such matters with which the banks would have to become familiar before launching such a program.

MacCoy, Stephenson War Loan Posts

Fletcher L. Gill, Director of the Banking & Investment Division, War Finance Committee, announced on April 19 the appointment of C. MacCoy, of the New York Stock Exchange, as Publicity Director for the Division during the Seventh War Loan.

Mr. Gill, the previous day, had announced the appointment of F. Kenneth Stephenson, of Goldman, Sachs & Co., as Executive Manager of the Wall Street Syndicate of Investment Bankers and Dealers of the Seventh War Loan.

Veteran Service Bonds

Secretary of the Treasury Morgenthau on April 18 reminded veterans of the First World War who hold 3% Adjusted Service Bonds of 1945, issued in payment of amounts due on Adjusted Service Certificates, that the bonds, which are dated June 15, 1936, will mature on June 15, 1945, when the face amount of the bonds and interest for the full nine-year period will be payable. The amount due on each bond is $63.50, which includes $50 principal and $13.50 interest. No further interest will accrue after June 15.

Alexander D. Noyes Dies

Alexander Dana Noyes, financial editor of the New York "Times," died on April 22, at New York, the "Times" reports. In eulogizing the "dean of American financial journalists," the "Times" states:

All his life Mr. Noyes regarded the work he was doing as a public trust and was unsparing of his own energy and that of his assistants in the search for fact and fairness of presentation.

With the courage of keen judgment, he had no hesitancy in calling a situation obscure when he found it so, and in declaring it discouraging when that was his best judgment. Repeatedly in The "Times" he discounted financial sentiment in favor of what he called "the customary indices of business," such as railway traffic, company earnings and dividends, prices of commodities and productions in basic industries such as steel.

When financial practitioners became too absorbed in moment-to-moment variations, he reminded them of the long trends which must be correctly judged for business survival. He was not of much comfort to the speculator, but he became the mainstay of serious investors and won the intimate confidence of many of the leading American bankers and financiers.

Aid Promised China

President Truman received T. V. Soong, Chinese Foreign Minister, at the White House, according to Associated Press report from Washington, April 19, and the diplomat told reporters he came to "pay my respects to the President and to tell him about the economic situation in China."

He added that the President "was most sympathetic to China and said he will give us all possible assistance.

Lend-Lease to Soviet

Leo T. Crowley, Foreign Economic Administrator, issued the following statement on April 17:

The United States has shipped to the Soviet Union from the inception of the Soviet lend-lease program in October of 1941 through February, 1945, more than 16,250,000 short tons of war materials, including munitions, war production and other industrial materials and equipment, food and agricultural products.

With the exception of some cash purchases and some materials lend-leased by Canada or transferred by the British in this hemisphere to the Soviet, all of this was provided by the United States as lend-lease to aid the Soviet war effort.

The dollar value of the supplies transferred by the United States to the Soviet Union through February of this year is $8,225,000,000. In addition, we supplied war services to the Soviet such as ferrying of planes and transportation, which were valued at $515,000,000. Transfers to the Soviet Union thus far have totaled 37.7% of our transfers to all of our allies since the inception of lend-lease. Of the total of materials transferred, finished munitions valued at $3,980,000,000 represented 48.21%, war production and other similar industrial equipment and materials valued at $2,820,000,000 represented 34.16%, and food and other agricultural products, $1,455,000,000 or 17.63%.

March Living Costs Down

Living costs for the average family of wage earners and lower-salaried clerical workers in the United States fell 0.1% from February to March, according to the National Industrial Conference Board report which said:

The index stood at 105.4 (1923=100), 22.6% above that of January, 1941, base month of the Little Steel formula.

A decline of 0.4% in the cost of food more than offset the increases of 0.2% in clothing and 0.1% in sundries. Fuel and light and housing costs remained unchanged. Living costs in March were 1.8% higher than a year ago.

Purchasing power of the dollar, in terms of 1923 goods, was 94.9 cents in March. A year ago it was 86.6 cents.

Ask Frisco Conference to Create Education Office

The delegates of 34 different nations making up the International Education Assembly voted unanimously to petition the United Nations conference at San Francisco to establish a World Office of Education.

The New York "Times," from which this information is learned, said:

This action came after James Marshall, member of the New York City Board of Education, had disclosed that 500 leading American college presidents and chancellors had signed a declaration urging the formation of an international school body. This resolution is being forwarded to the American delegation at the conference.

Truman Invites McKellar To Cabinet Meetings

President Truman invited Senator Kenneth McKellar, President pro tempore of the Senate, to sit at Cabinet meetings, it was reported in Associated Press dispatches from Washington on April 21, which went on to say, in part:

The action was believed to be unprecedented. Not since Calvin Coolidge took over the Presidency on the death of Warren G. Harding has the nation been without a Vice-President, and the custom of having the Senate's presiding officer sit in on Cabinet sessions was started by the late President Roosevelt.

Braden Argentine Envoy

President Truman on April 19 nominated Spruille Braden, now Ambassador to Cuba, to be American envoy to the Argentine.

The Associated Press from Washington reported:

If confirmed he will succeed Norman Armour, who was recalled in 1944 when diplomatic relations with the Farrell Government were suspended. Mr. Armour is Ambassador to Spain.

The United States has resumed relations with Argentina, following Buenos Aires's recent declaration of war against the Axis, and adherence to the hemisphere pacts of Mexico City.

New York State Factory Payrolls Up in March

Industrial Commissioner Edward Corsi, head of the State Labor Department, March 17, reported that while payrolls increased from February to March in all manufacturing industries except tobacco and transportation equipment with a net gain of 1.2% in the total, sharp reductions in employment in the State's aircraft and ordnance plants almost obliterated employment gains in other war plants and most of the civilian goods factories with the result that total manufacturing employment in the State remained at approximately the same level from the one month to the other.

Compared with March a year ago, employment decreased 7.9%, while payrolls declined 1.8%. Average weekly earnings advanced to $50.73 this March from $50.07 in February and $47.59 in March, 1944. These figures are based on preliminary tabulations of reports from 2,896 factories throughout the State, collected and analyzed by the Division of Research and Statistics under the direction of Meredith B. Givens. The advices also said:

Although substantial increases in employment were reported by firms in the machinery, non-ferrous metals and railroad equipment industries, the heavy losses in aircraft and ordnance caused a small net decline in the metals and machinery groups as a whole.

Many additional workers were hired for the manufacture of communciation equipment, most of them going to one plant. Small net gains occurred in steel mills and shipyards.

The greatest employment increase in the apparel group was reported by women's dress firms, particularly the larger shops. Increases continued in millinery and women's coats, suit and skirt branches, although gains were smaller than in the last two months. There was increased activity also among men's tailoring firms and those making miscellaneous apparel and accessories. Decreases occurred in children's clothing and fur goods. For the apparel group as a whole, employment increased 0.4%, while payrolls advanced 3%.

In the food industry, employment increased moderately in dairy and grain-mill products, canning, sugar, confectionery and beverages. Meat packers and bakeries reported fairly sharp decreases; the net change was a small gain of 0.3% in employment for the group. Payrolls increased 1.6%.

Employment gains in furniture, printing and chemicals ranged from 0.7% to 1.9%; payroll advances in these industries ranged from 1.1% to 5.4%.

Losses in employment occurred in every branch of the textile industry except cotton. Payrolls, however, were generally higher, resulting in an increase of 1.5% for the industry. In the leather group, manufacturers of shoes and gloves operated with fewer workers but payrolls were higher.

Employment increased 0.4% in New York City and declined 0.2% upstate. Gains in the apparel industry and in metals and machinery accounted for most of the increase in the City. Employment in aircraft was greater, with one plant resuming operations following an eight-month period of inactivity. The shipbuilding industry also reported an increase in employment this month. Total payrolls in the City advanced 1.8%.

Market Transactions In Govts. in March

During the month of March, 1945, market transaction in direct and guaranteed securities of the Government for Treasury investment and other accounts resulted in net sales of $2,940,000, Secretary Morgenthau announced on April 16.

The following tabulation shows the Treasury's transactions in Government securities for the last two years:

1943—		
March	$72,927,750	sold
April	400,000	purchased
May	35,200,000	sold
June	145,768,000	sold
July	67,757,200	sold
August	15,800,000	sold
September	2,651,600	sold
October	No sales or	purchases
November	$5,000,000	sold
December	4,800,000	purchased
1944—		
January	$9,924,000	sold
February	105,100,000	sold
March	11,500,000	sold
April	16,511,300	sold
May	9,965,000	sold
June	20,500,000	purchased
July	18,484,000	sold
August	18,992,500	sold
September	28,100,000	sold
October	*	
November	5,900,000	sold
December	12,000,000	sold
1945—		
January	$67,475,000	sold
February	48,131,000	sold
March	2,940,000	sold

*Less than $50,000 sold.

San Francisco Stamp to Pay Tribute to FDR

The new postage stamp, which will be issued in honor of the San Francisco conference, will bear the name of Franklin D. Roosevelt.

The Associated Press reported from Washington on April 16:

Postmaster General Frank C. Walker announced the change in the original layout in disclosing that the late President suggested the wording and design for the commemorative stamp. Mr. Walker also said that Mr. Roosevelt's last official directive approved a proposal that he buy the first stamp at San Francisco.

Veterans Are Drawing Unemployment Insur.

Unemployment pay is being drawn by approximately 27,000 war veterans each month, the Associated Press advises from Washington, April 10. The report goes on to say that in Washington there are 14,000 government and private job openings, in spite of which 400 veterans are receiving unemployment pay monthly. Exclusive of the 27,000 veterans there is a total of only about 100,000 civilians drawing unemployment pay from Uncle Sam. The Associated Press dispatch continues by reporting:

In poorer times, with jobs scarce, 27,000 men drawing unemployment pay would be a drop in the bucket. But the number of men discharged back into civilian life by the Army and Navy combined is about 65,000 a month. So 27,000 getting unemployment pay monthly is almost half those discharged.

The United States Veterans Administration headquarters here says it doesn't know why so many veterans can't find work to suit them.

An unemployed veteran gets $20 a week. The maximum unemployment pay that can be drawn is for fifty-two weeks. But not all veterans can go that long drawing on Uncle Sam.

For each of his first three months of service a veteran is allowed eight weeks' unemployment pay, or a total of twenty-four weeks for his first three months of service.

In order to draw those twenty-four weeks' unemployment pay, a veteran must have been unemployed all that time. If he's jobless only one week, then he gets only one week's pay. But for every month of service after those first three months he is allowed one month's pay.

In order to qualify for the pay he must first have registered at a public employment office, be able to work, and be available for suitable work.

World Housing Aid

A plan to provide technical data and other advice relating to design, management and financing of housing in any part of the world where such information may be needed, in the form of a sort of international housing agency, took shape recently at a meeting at which John B. Blandford, Administrator of the National Housing Agency, addressed representatives of the foreign diplomatic corps, according to advices to the New York "Times" from Washington, April 18. This report stated it was proposed that the Agency would function somewhat along the same lines as the International Food and Agricultural Organization, one of the duties of which will be to supply scientific information to nations wishing to advance their farming techniques.

Mr. Blandford called for "the freest possible exchange of information touching on all phases of housing" and protection in the post-war period against "international barriers" which might impede this exchange, the New York "Times" report continues.

He specifically expressed the hope that "machinery will be established for full exchange of housing information and experience among the nations of the world."

The housing chief indicated that the experience of the United States in providing a war housing program accommodating some 4,000,000 migratory workers and their families would be of value to other countries which must provide new and permanent residences for a large proportion of their populations.

Conceding the limitation of war housing as a model for "peace-time standards," he nevertheless expressed the belief that the experience of building it should be of value after the war. He maintained that valuable experience had been accumulated in housing construction and new construction methods, in prefabrication and in site fabrication, and other aspects of the housing problem which would be useful after the war.

Mar. Cotton Consumption

The Census Bureau at Washington on April 16 issued its report showing cotton, consumed in the United States, cotton on hand and active cotton spindles in the month of March.

In the month of March, 1945, cotton consumed amounted to 857,693 bales of lint and 130,907 bales of linters, as compared with 781,559 bales of lint and 119,308 bales of linters in February and 903,538 bales of lint and 116,291 bales of linters in March, 1944.

In the eight months ending March 31, cotton consumption was 6,516,433 bales of lint and 994,015 bales of linters, compared with 6,805,716 bales of lint, and 875,724 bales of linters in the corresponding period a year ago.

There were 2,237,465 bales of lint and 326,676 bales of linters on hand in consuming establishments on March 31, 1945, which compares with 2,278,052 bales of lint and 317,976 bales of linters on Feb. 28, 1945, and 2,290,108 bales of lint and 455,744 bales of linters on March 31, 1944.

On hand in public storage and at compresses on March 31, 1945 there were 11,724,034 bales of lint and 37,046 bales of linters, which compares with 12,400,392 bales of lint and 33,014 bales of linters on Feb. 28 and 10,890,959 bales of lint and 81,010 bales of linters on March 31, 1944.

There were 22,232,168 cotton spindles active during March, 1945, which compares with 22,223,848 cotton spindles active during February, 1945, and with 22,569,588 active cotton spindles during March, 1944.

NAM Endorses Three New Patent Bills

The National Association of Manufacturers announces the endorsement of three new bills on patents recently introduced in Congress by Representative F. W. Boykin (D. Ala.), Chairman of the House Committee on Patents. The bills are intended to carry out recommendations made by the National Patent Planning Commission and are similar to proposals which have been advocated for some time by the NAM Committee on Patents, of which R. J. Dearborn, President of Texaco Development Corporation, is Chairman.

The major proposal, H. R. 2632, is one which would require the recording of agreements relating to patents. Another bill, H. R. 2630, would provide for the public registration of patents available for licensing and the third, H. R. 2631, is a "20-year bill" which proposes that a patent shall terminate not more than 20 years after an application has been filed but keeping the term of a patent at 17 years.

Recording of patent agreements is advocated by NAM, Mr. Dearborn said, largely because "it would tend to remove the suspicion which is often attached without justification to legal and beneficial patent agreements. It would bring into the open all the contract agreements on which charges and suspicions of misuse of patents have been based in the past."

It is felt by the NAM committee on patents that the bill for the registration of patents available for licensing would encourage patent licensing, spread the use of available patents and tend to remove the cause for charges that available patents are not as widely used as they might be. The NAM committee continues, however, to oppose the suggestion that the Commissioner of Patents should have power to fix the terms and conditions of licenses as the Boykin bill proposes.

The "20-year bill," long advocated by NAM, would correct an abuse which has been evident in some cases—that of excessively prolonging the period of argument in the Patent Office so that a patent is not issued until many years after the application has been filed.

"Postponing the beginning and the ending of the term of a patent certainly is not in the public interest," Mr. Dearborn said. "The bill would have the effect of retaining the present term of 17 years except in those cases where more than three years were consumed in obtaining a patent."

Close Swiss German Border

The Swiss-German frontier has been closed and traffic between Switzerland and Liechtenstein has been similarly halted, it was announced on the Swiss radio on April 20, according to an Associated Press dispatch from London on April 22, which went on to say:

The Swiss offered no official explanation for the action, but the development caused speculation at London that it was aimed at preventing a flight by high Nazi officials or their families across the frontier to neutral Switzerland, under their own names or with assumed identities.

Maycock V-P of CCC

Richard W. Maycock was appointed Vice-President of the Commodity Credit Corporation on April 19, it was announced by the War Food Administration.

Associated Press Washington advices reported:

He succeeds Lieut.-Col. Ralph V. Olmstead, who has been recalled to the Army to help supervise military relief operations in Europe.

Cut Air-Mail Rates To Latin America

Postmaster Albert Goldman directs attention to the folowing announcement issued by Postmaster General Frank C. Walker which was effective April 1, substantial reductions will be made in the air mail rates from continental United States and Alaska, Puerto Rico, and the Virgin Islands, to the Canal Zone and Central and South American areas.

The new rates per half ounce are as follows: Argentina 20 cents, reduced from 40 cents; Barbados 10 cents, from 25 cents; Bolivia 20 cents, from 35 cents; Brazil 20 cents, from 40 cents; British Guiana 15 cents, from 30 cents; British Hondoras 10 cents, from 20 cents; Canal Zone 10 cents, from 15 cents; Chile 20 cents, from 40 cents; Colombia 25 cents, from 35 cents; Costa Rica 10 cents, from 15 cents; Curacao 10 cents, from 25 cents; Ecuador 15 cents, from 30 cents, Falkland Islands 20 cents, from 40 cents; French Guiana 15 cents, from 30 cents; Guadeloupe 10 cents, from 15 cents; Guatemala 10 cents, from 12 cents; Republic of Honduras 10 cents, from 12 cents; Leeward Islands 10 cents, from 15 cents; Martinique 10 cents, from 15 cents; Nicaragua 10 cents, from 12 cents; Panama 10 cents, from 15 cents; Paraguay 20 cents, from 40 cents; Peru 15 cents, from 30 cents; El Salvador 10 cents, from 12 cents; Surinam 15 cents, from 30 cents; Trinidad 10 cents, from 15 cents; Uruguay 20 cents, from 40 cents; Venezuela 15 cents, from 25 cents; Windward Islands 10 cents, from 15 cents.

Air mail postage on articles sent from United States possessions in the Pacific to Latin American points will be the prescribed postage for carriage by air to continental United States plus the postage for air service from the United States to the respective country listed in the foregoing.

Ross Press Sec. to Truman

The appointment of Charles G. Ross, correspondent for the St. Louis "Post-Dispatch," effective May 15, as his press Secretary was announced on April 20 by President Truman, it was revealed on April 20 in an Associated Press dispatch from Washington on the same day, which also said:

Mr. Truman called a news conference shortly before noon, at which he said that J. Leonard Reinsch, who has been serving as his press and radio relations man, would return to his duties as managing director of the radio interests of former Governor James M. Cox of Ohio.

He said that Jonathan Daniels, President Roosevelt's press Secretary, who had planned to leave tomorrow, had agreed to remain on the job until Mr. Ross can report.

Mr. Ross, a high school classmate of the President at Independence, Mo., accepted the press post last night, shortly before leaving for San Francisco to cover the United Nations conference for his newspaper.

Ernie Pyle Killed

Ernie Pyle, this war's most famous correspondent, was killed by a Japanase machine gun bullet on Ie, a small island off Okinawa. His name had become famous in his reports of the infantryman, which he followed and knew so well.

Among those paying tribute to Ernie Pyle was President Truman, who said:

"No man in this war has so well told the story of the American fighting man as American fighting men wanted it told. . . . He deserves the gratitude of all his countrymen."

Market Value of Stocks on New York Stock Exchange Lower March 31

The New York Stock Exchange announced on April 6 that as of the close of business March 31, there were 1,255 stock issues aggregating 1,504,104,751 shares listed on the New York Stock Exchange, with a total market value of $57,383,487,905. This compares with 1,256 issues, aggregating 1,497,831,560 shares; total market value $59,680,085,110 on Feb. 28.

In making public the figures to March 31, the Exchange also said:

As of the close of business March 31, New York Stock Exchange member total net borrowings amounted to $831,917,170 of which $595,072,113 represented loans which were not collateralized by U. S. Government issues. The ratio of the latter borrowings to the market value of all listed stocks, on that date, was, therefore, 1.04%. As the loans not collateralized by U. S. Government issues include all other types of member borrowings, there ratios will ordinarily exceed the precise relationship between borrowings on listed shares and their total market value.

In the following table listed stocks are classified by leading industrial groups with the aggregate market value and average price for each:

	—Mar. 31, 1945—		—Feb. 28, 1945—	
	Market Value	Av. Price	Market Value	Av. Price
Group—	$	$	$	$
Amusement	643,513,967	27.30	675,796,820	29.17
Automobile	4,937,562,656	40.26	5,259,143,014	42.89
Aviation	773,787,740	19.70	799,693,845	20.58
Building	700,059,303	31.78	742,107,057	34.17
Business and Office Equipment	490,064,063	37.65	517,104,983	39.72
Chemical	6,603,052,401	68.07	6,839,741,092	70.54
Electrical Equipment	1,894,218,173	45.04	1,990,145,889	47.32
Farm Machinery	848,725,654	59.56	886,694,016	62.23
Financial	1,114,903,237	22.55	1,167,009,124	24,32
Food	3,628,120,777	41.17	3,727,960,058	42.31
Garment	62,216,015	30.42	52,493,066	31.43
Land & Realty	39,551,005	8.20	44,181,461	9.14
Leather	273,722,975	32.14	283,964,690	33.34
Machinery & Metals	2,176,884,035	29.42	2,290,586,406	31.22
Mining (excluding iron)	1,678,659,839	26.70	1,795,179,129	28.55
Paper & Publishing	667,043,884	27.97	701,709,143	29.42
Petroleum	6,783,462,809	33.12	7,164,117,807	34.98
Railroad	4,926,429,955	45.14	5,060,368,111	46.88
Retail Merchandising	3,182,170,365	42.80	3,235,467,872	43.50
Rubber	700,086,253	65.99	740,162,176	69.77
Ship Building & Operating	125,362,573	22.73	126,611,783	22.96
Shipping Services	20,960,562	12.15	23,624,278	13.70
Steel, Iron & Coke	2,576,600,989	51.00	2,667,502,494	52.80
Textiles	666,591,570	36.88	695,196,412	42.01
Tobacco	1,404,806,507	51.58	1,452,100,692	53.31
Utilities:				
Gas & Electric (Operating)	2,622,780,151	30.43	2,676,197,950	31.00
Gas & Electric (Holding)	1,439,878,345	15.12	1,500,974,868	15.77
Communications	3,956,595,141	91.74	4,006,540,810	93.06
Miscellaneous Utilities	142,892,859	24.45	154,265,878	26.13
U. S. Cos. Operating Abroad	974,350,987	28.64	998,755,356	29.37
Foreign Companies	1,056,807,090	25.54	1,116,641,072	26.99
Miscellaneous Businesses	271,626,025	30.82	288,047,758	32.74
All Listed Stocks	57,383,487,905	38.15	59,680,085,110	39.84

We give below a two-year compilation of the total market value and the average price of stocks listed on the Exchange:

	Market Value	Average Price		Market Value	Average Price
1943—	$	$	1944—	$	$
Mar. 31	45,845,738,377	31.20	Apr. 29	48,670,491,772	32.59
Apr. 30	46,192,361,639	31.45	May 31	50,964,039.424	34.14
May 29	48,437,700,647	32.96	June 30	53,067,698,691	35.55
June 30	48,878,520,886	33.27	July 31	52,488,254,469	35.07
July 31	47,577,989,240	32.17	Aug. 31	53,077,487,308	35.40
Aug. 31	47,710,472,858	32.04	Sept. 30	52,929,771,152	35.75
Sept. 30	48,711,451,018	32.82	Oct. 31	53,086,843,093	35.84
Oct. 30	48,178,040,869	32.44	Nov. 30	53,591,644,063	36.14
Nov. 30	45,101,778,943	30.33	Dec. 30	55,511,963,741	37.20
Dec. 31	47,607,294,582	31.96			
1944—			1945—		
Jan. 31	48,396,650,695	32.47	Jan. 31	56,585,846,293	37.84
Feb. 29	48,494,092,518	32.51	Feb. 28	59,680,085,110	39.84
Mar. 31	49,421,855,812	33.12	Mar. 31	57,383,487,905	38.15

Steel Operations Rise — War Cancellations Affect Order Volume Less Than Expected

"Despite cutbacks, talk of further cutbacks and the avalanche of optimistic war news, activity on the steel front this week showed no retreat and most steel companies were reporting little or no change in the heavy volume of steel orders," states "The Iron Age" in its issue today (April 26), which further says: "Main exception to this trend was the demand for steel plates which is dwindling fast, especially in view of Maritime Commission cancellations reported to involve 100,000 tons of plates.

"Both at Pittsburgh and at Chicago, steel order volume was, this past week, still substantially ahead of actual shipments. Little easing so far has been reported in the pressure for shell steel, even though it is expected that a considerable amount of this tonnage on the books for future shipment will eventually be cancelled. Restoration of some steel tonnage allotted railroad carbuilders for the second quarter which had been severly cut apparently has been made. How this tonnage will fit into steel mill schedules is still not clear.

"Unauthorized coal strikes in recent weeks have to some extent enlarged steel mill backlogs at those plants most severely affected. Carnegie-Illinois Steel Corp. at Pittsburgh has reported as a direct result of coal mine stoppages an ingot loss of 83,000 tons and a loss in finished steel products of 82,000 tons. At Birmingham, where outlaw coal stoppages were still affecting the war effort, more than 40,000 tons of steel ingots and more than 58,000 tons of pig iron have already been lost.

"That the steel industry will soon feel the impact of cutbacks and changes in military programs is a foregoing conclusion, even though present levels in order volume and steel output continue high. Some undercurrents indicate that a calmer market is likely to set in within the near future. The Maritime Commission is checking new requirements against existing inventories. Furthermore, its cancellation of 30 tankers out of a program covering 106 may be advance notice of further trimming.

"WPB appears to be withholding third quarter directives and is being cautious in issuing fourth quarter allotments. Interpretation of this action, however, could easily hinge upon a desire to retain directives for emergency situations and recognition that fourth quarter bookings on many products already are close to capacity. Reports from Washington say that WPB is preparing plans which will give essential civilian needs a high priority rating similar to that used for urgent war items. Such action, however, will probably not materialize until the full effects of cutbacks already made and those contemplated, are known."

The American Iron and Steel Institute on April 23 announced that telegraphic reports which it had received indicated that the operating rate of steel companies having 94% of the steel capacity of the industry will be 93.2% of capacity for the week beginning April 23, compared with 91.9% one week ago, 96.6% one month ago 100.0% one year ago. The operating rate for the week beginning April 23 is equivalent to 1,707,100 tons of steel ingots and castings, compared to 1,683,300 tons one week ago, 1,769,400 tons one month ago and 1,791,300 tons one year ago.

"Steel" of Cleveland, in its summary of the iron and steel markets, on April 23 stated in part as follows:

"Steel cancellations are developing, but are much less than might be expected in view of recent cutbacks in the war program. This is ascribed to the fact that some of the tonnage affected had been projected so far into the future as never to have been fully reflected in mill schedules.

"An important factor is instruction by ordnance officials in a number of instances, to manufacturers whose work was cut back, to keep orders with mills, pending word as to ultimate disposition of the steel. Some of this may be cancelled but it is obviously the idea of ordnance officials that much of the tonnage can be put to use, if not by the manufacturer for some new contract which may be in the making, then by some other company engaged in similar work.

"War Production Board discloses that third quarter production of shell steel billets are expected to level off at about the June, 1945, pattern, which is somewhat above present shell steel schedules but below recent third quarter estimates. Proposed new programs are expected to offset to a large extent the cutbacks following V-E Day.

"New plans to curb use of directives on steel mill orders that take precedence over CMP allotments include an effort to use directives only to advance deliveries within the current quarter. Future directives will be issued only on certification by a claimant agency that an earlier delivery is required to meet a genuine emergency. No directives will be issued to set up complete new programs.

"Scrap conditions in general are steady, with supply sufficient for consumers and more material available than dealers are able to process under shortage of labor. Melters are not anxious to add to reserves beyond a safe minimum, in fear of a sudden turn in the market."

France Asks German Labor Reparations

Rene Pleven, Minister of Finance and National Economy of France, in a broadcast from Paris on April 21 said that France expects to draw reparations from Germany in the form of more than 2,000,000 German workers to labor, according to a wireless dispatch to the New York "Times" from Paris, France, on April 21, from which the following has also been taken:

M. Pleven said that German prisoners would be put to work on beet farms. He added:

"The first reparation in kind that the French want to get from Germany is a quantity of labor corresponding to that Germany took from France in holding 2,200,000 prisoners, deportees and workers."

From Washington Ahead Of The News

(Continued from first page)

pulse of Jimmy's, and a legitimate one, or perhaps a hurried telephone suggestion from one of the young men whose career is built around Jimmy's and who was quite nonplussed when Jimmy quit as "assistant President." There is no doubt that it was an untimely quitting, for Jimmy's sake.

The episode is now reacting to the disinterest of Jimmy. He returned to Washington amid wild speculation that he was to succeed Stettinius. He hasn't succeeded him, and now the reaction in political Washington is that Jimmy isn't going to succeed anybody, that he overplayed his hand in rushing up here and assuming that he was.

Truman having been only a few months ago a Senator and more recently a very social Vice-President with seemingly not a care in the world, has, insofar as this writer can check, confided in no one whom he would appoint for this and that position if he had his way. We have read "authoritative" stories that Donald Nelson is now sitting pretty because Truman, as Chairman of his famous Investigating Committee, favored Nelson over Charles E. Wilson of General Electric in the War Production Board. Then we have read them just as "authoritative" that the reverse is true.

We Washington speculators have never enjoyed such a melee of speculation since we tried to pick Roosevelt's first Cabinet at Warm Springs in the winter of 1932. We were 100% wrong, and a check of the subsequent speculation on his appointees will prove to have been similarly wrong.

The interesting, and the important thing, in this present spree, however, is that it all turns around conservatives. Only conservative names are heard. The Leftist propagandists seem not to be able to get a single name into print. Furthermore, in our informal propaganda gatherings around here they seem to have no names to produce. They seem to consider that the jig is up. For example, for the first time in many years there is not the suggestion or speculation that that brilliant Liberal, Justice W. O. Douglas of the Supreme Court is going to succeed to anything. It is a fact that ever since he was appointed to the Court, it would take more horsepower than this country can produce to get him off, but nevertheless there has not been a high vacancy around here, since God knows when, that his little claque didn't project his name, merely to keep it before the public. It is significant that the claque is now so crestfallen or otherwise realizes the incongruousness of it, as not to mention him.

What you might call one rearguard skirmish on the part of the New Dealers was the planting of the name of Senator Kilgore of West Virginia for Secretary of Labor. This aroused such hearty laughter around here that nothing like it has been since suggested.

The point of what we have been saying is that although Senator Walter F. George may not be Secretary of the Treasury, as has been speculated upon, it will be one of his stripe. The point is also that the men who will sooner or later replace Biddle, Madame Perkins, Ickes, et al, may not be the names whose names are appearing in the speculation, but they will be men of that conservative stripe. For the first time in many years all the speculation turns around conservatives. This is because the speculators know the appointing power they are speculating about.

Chamber Committee to Survey Business Data

A broad survey of the entire field of business statistics will be made by a newly created committee of the Chamber of Commerce of the United States.

The committee, which will be headed by Herman Steinkraus, President of the Bridgeport Brass Company, Bridgeport, Conn., will attempt to determine to what extent government should participate in business reporting and how much reporting and dissemination of facts business should conduct on its own account.

The entry of the United States into the war brought a need for collection of many statistics about business operations which had not before been gathered. The new Chamber committee will study the situation, with a view to recommending what statistical data required by war can be dispensed with when peace is restored and what new kinds of statistics would be helpful in a peacetime economy.

Insured Savs. Assn. Increase in Accounts

The Council of Insured Savings Association of New York State announced recently that its 34 member associations had shown a 25% net increase in individual savings accounts amounting to $34,013,856 in the past twelve months. At the close of March these insured savings associations had total resources of $193,492,618 and 193,903 individual savings accounts.

In the first quarter of 1945 savings account balances increased by $8,397,663 which was an 88.3% greater increase than for the first quarter of 1944. March savings increased by $3,283,318 which was a 105% greater increase than in March a year ago.

In issuing the report Carl F. Distelhorst, President of the Council, observed that the insured savings associations in New York State were currently experiencing the most rapid increase in savings accounts in their history. Their resources have slightly more than doubled in the past five years and increased by 43.5% in the past few years.

Less Freight Cars and More Locomotives Ordered Apr. 1

The Class I railroads on April 1, 1945, had 36,272 new freight cars on order, the Association of American Railroads announced on April 23. This included 6,357 hopper, 5,452 gondolas, 1,335 flat, 18,768 plain box, 1,800 automobile, 2,499 refrigerator, and 61 stock freight cars. On March 1 last, the roads had 37,166 cars on order and on April 1, 1944 the total was 36,727.

They also had 564 locomotives on order on April 1, this year, compared with 755 on the same day in 1944. The number on order on April 1, 1945, included 138 steam, two electric and 424 Diesel locomotives. On March 1 last, 546 locomotives were on order, and on April 1, 1944 the total was 755.

The Class I railroads put 12,993 freight cars in service in the first three months this year compared with 7,838 in the same period last year. Those installed in the first quarter this year included 4,058 hopper, 1,934 gondola, 63 flat, 178 stock, 191 refrigerator, 477 automobile box, 6,092 plain box freight cars.

They also put 136 new locomotives in service in the first three months of which 19 were steam, and 117 were Diesel. New locomotives installed in the same period last year totaled 261, which included 112 steam, one electric and 147 Diesel.

Civil Engineering Construction $22,181,000 for Week

Civil engineering construction in continental United States totals $22,181,000 for the week. This volume, not including the construction carried on by military engineers abroad, American contracts outside the country, and shipbuilding, is 58% lower than in the preceding week, 57% below the corresponding 1944 week, and 39% below the previous four-week moving average as reported to "Engineering News-Record." The report made public on April 19, went on to say:

Private construction is 78% below the high volume of a week ago, and is 23% lower than a year ago. Public construction is 34 and 63% lower, respectively, than last week and last year, as both state and municipal volume and federal work report declines.

The current week's volume brings 1945 construction to $488,254,000 for the sixteen weeks, a decrease of 14% from the $568,425,000 reported in the corresponding 1944 period. Private construction, $152,403,000, is 29% higher than in the period last year, but public construction, $335,851,000, is down 26% as a result of the 31% drop in federal. State and municipal volume tops a year ago by 26%.

Civil engineering construction volumes for the 1944 week, last week, and the current week are:

	Apr. 20, 1944	Apr. 12, 1945	Apr. 19, 1945
Total U. S. Construction	$51,425,000	$52,157,000	$22,181,000
Private Construction	7,939,000	27,651,000	6,131,000
Public Construction	43,486,000	24,506,000	16,050,000
State and Municipal	6,454,000	4,343,000	3,040,000
Federal	37,032,000	20,163,000	13,010,000

In the classified construction groups, gains over last week are in waterworks, sewerage and bridges. Gains over their respective 1944-week totals are reported in waterworks, sewerage, industrial buildings, and unclassified construction. Subtotals for the week in each class of construction are: waterworks, $1,194,000; sewerage, $534,000; bridges, $152,000; industrial buildings, $5,938,000; commercial building and large-scale private housing, $166,000; public buildings, $5,331,000; earthwork and drainage, $405,000; streets and roads, $1,420,000; and unclassified construction, $7,041,000.

New capital for construction purposes for the week totals $12,465,000. It is made up of $4,478,000 in state and municipal bond sales, $1,387,000 in corporate security issues, and $6,600,000 in RFC loans for industrial plant expansion. The week's new financing brings 1945 volume to $272,249,000 for the sixteen weeks, a volume 25% below the $364,638,000 for the period in 1944.

Electric Output for Week Ended April 21, 1945 Exceeds That for Same Week Last Year by 1.5%

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended April 21, 1945, was approximately 4,411,325,000 kwh., which compares with 4,344,188,000 kwh. in the corresponding week a year ago, and 4,332,400,000 kwh. in the week ended April 14, 1945. The output of the week ended April 21, 1945, was 1.5% in excess of that for the same week last year.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

	Week Ended			
Major Geographical Divisions—	April 21	April 14	April 7	Mar. 31
New England	1.0	0.0	1.2	*0.4
Middle Atlantic	*3.0	*3.4	*5.2	*6.2
Central Industrial	1.7	0.3	0.8	0.2
West Central	8.7	10.6	9.4	6.1
Southern States	8.3	7.7	4.9	4.6
Rocky Mountain	7.2	*0.6	*3.8	*7.4
Pacific Coast	*1.6	*2.2	*6.0	*6.5
Total United States	1.5	0.6	*0.9	*1.8

*Decrease under similar week in previous year.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1945	1944	% Change over 1944	1943	1932	1929
Jan. 6	4,427,281	4,567,959	--	3,952,587	1,602,482	1,733,810
Jan. 13	4,614,334	4,539,083	+ 1.7	3,952,479	1,598,201	1,736,721
Jan. 20	4,588,214	4,531,662	+ 1.2	3,974,202	1,588,967	1,717,315
Jan. 27	4,576,713	4,523,763	+ 1.2	3,976,844	1,588,853	1,728,203
Feb. 3	4,538,552	4,524,134	+ 0.3	3,960,242	1,578,817	1,726,161
Feb. 10	4,505,269	4,532,730	— 0.6	3,939,708	1,545,459	1,718,304
Feb. 17	4,472,298	4,511,562	— 0.9	3,948,749	1,512,158	1,699,250
Feb. 24	4,473,962	4,444,939	+ 0.7	3,892,796	1,519,679	1,706,719
March 3	4,472,110	4,464,686	+ 0.2	3,946,630	1,538,452	1,702,570
March 10	4,446,136	4,425,630	+ 0.5	3,944,679	1,537,747	1,687,229
March 17	4,397,529	4,400,246	— 0.1	3,946,836	1,514,553	1,683,262
March 24	4,401,716	4,409,159	— 0.2	3,928,170	1,480,208	1,679,589
March 31	4,329,478	4,408,703	— 1.8	3,889,858	1,465,076	1,633,291
April 7	4,321,794	4,361,094	— 0.9	3,882,467	1,480,738	1,696.543
April 14	4,332,400	4,307,498	+ 0.6	3,916,794	1,469,810	1,709,331
April 21	4,411,325	4,344,188	+ 1.5	3,925,175	1,454,505	1,699,822
April 28	------	4,336,247		3,866,721	1,429,032	1,688,434

Note—Because the same week a year ago contained the New Year holiday, no percentage comparison is available for the week ended Jan. 6.

National Fertilizer Association Commodity Price Index Unchanged

The weekly wholesale commodity price index, compiled by the National Fertilizer Association and made public on April 23, was unchanged in the week ending April 21, 1945, remaining at the all-time peak of 140.3 that it reached in the preceding week. A month ago the index stood at 140.1, and a year ago at 136.9, based on the 1935-1939 average as 100. The Association's report went on to say:

The farm products group remained unchanged with rather substantial gains in the cotton index and moderate gains in the grains index just offsetting the decline in the livestock index. A rise in the prices for raw cotton carried the cotton index to its highest point since this index was compiled. It now stands 4.1% higher than it was at its low point of 1945, registered Feb. 3, and is 6.3% higher than a year ago. Small fractional gains were shown in the textiles and building materials indexes but were not sufficient to change the all-commodity index. All other groups remained unchanged.

During the week five price series in the index advanced and four declined; in the preceding week there were five advances and six declines; in the second preceding week there were six advances and two declines.

WEEKLY WHOLESALE COMMODITY PRICE INDEX
Compiled by The National Fertilizer Association
1935-1939=100*

% Each Group Bears to the Total Index	Group	Latest Week Apr. 21, 1945	Preceding Week Apr. 14, 1945	Month Ago Mar. 24, 1945	Year Ago Apr. 22, 1944
25.3	Food	141.9	141.9	141.6	138.4
	Fats and Oils	145.3	145.3	145.3	146.1
	Cottonseed Oil	163.1	163.1	163.1	159.6
23.0	Farm Products	166.5	166.5	166.1	156.0
	Cotton	211.4	209.6	207.3	198.9
	Grains	163.5	163.0	163.7	164.8
	Livestock	160.1	160.6	160.3	146.1
17.3	Fuels	130.4	130.4	130.4	130.1
10.8	Miscellaneous Commodities	133.7	133.7	133.4	132.2
8.2	Textiles	156.6	156.3	156.1	152.0
7.1	Metals	104.7	104.7	104.7	104.4
6.1	Building Materials	154.4	154.2	154.2	152.4
1.3	Chemicals and Drugs	125.4	125.4	125.4	127.7
.3	Fertilizer Materials	118.3	118.3	118.3	117.7
.3	Fertilizers	119.9	119.9	119.9	119.7
.3	Farm Machinery	104.8	104.8	104.8	104.2
100.0	All groups combined	140.3	140.3	140.1	136.9

*Indexes on 1926-1928 base were: April 21, 1945, 109.3; April 14, 1945, 109.3, and April 22, 1944, 106.6.

Moody's Bond Prices And Bond Yield Averages

Moody's computed bond prices and bond yield averages are given in the following table.

MOODY'S BOND PRICES†
(Based on Average Yields)

1945— Daily Averages	U. S. Govt. Bonds	Avge. Corporate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus
Apr. 24	122.25	115.04	120.84	118.40	115.24	106.74	112.00	114.27	119.41
23	122.38	115.04	120.84	118.60	115.04	106.56	111.81	114.27	119.41
21	122.44	115.04	120.84	118.60	115.04	106.56	111.81	114.27	119.20
20	122.44	115.04	120.84	118.40	115.04	106.56	111.81	114.27	119.20
19	122.50	115.04	120.84	118.40	115.04	106.74	111.81	114.27	119.20
18	122.53	115.04	120.84	118.60	115.24	106.56	111.81	114.27	119.20
17	122.53	115.04	120.84	118.60	115.04	106.56	111.81	114.46	119.20
16	122.51	115.04	120.84	118.60	115.04	106.56	111.81	114.27	119.41
14	Stock Exchange Closed.								
13	122.59	115.04	120.84	118.60	115.04	106.56	111.81	114.46	119.20
12	122.59	115.04	120.84	118.40	115.04	106.56	111.81	114.46	119.20
11	122.45	115.04	120.84	118.40	115.24	106.56	111.62	114.46	119.20
10	122.59	115.04	120.84	118.40	115.04	106.56	111.62	114.46	119.20
9	122.36	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
7	122.21	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
6	122.21	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
5	122.20	115.04	120.84	118.40	115.04	106.39	111.44	114.46	119.20
4	122.19	115.04	121.04	118.40	115.04	106.39	111.44	114.46	119.20
3	122.04	114.85	121.04	118.40	114.85	106.04	111.25	114.27	119.20
2	122.00	114.85	120.84	118.40	114.85	106.04	111.25	114.27	119.20
Mar. 31	122.01	114.85	121.04	118.40	114.85	106.04	111.25	114.27	119.20
23	122.19	115.04	121.04	118.60	114.85	106.21	111.44	114.27	119.41
16	122.25	115.04	120.84	118.80	114.66	106.39	111.07	114.46	119.41
9	122.47	114.85	120.63	118.60	114.66	106.21	110.88	114.46	119.41
2	122.05	114.66	120.43	118.60	114.46	106.21	110.70	114.27	119.61
Feb. 23	121.92	114.66	120.02	118.60	114.46	106.04	110.52	114.08	119.41
16	121.97	114.46	120.02	118.60	114.27	105.69	110.15	114.08	119.41
9	121.58	114.27	119.82	118.40	114.08	105.69	109.97	114.08	119.20
2	121.33	114.08	119.82	118.00	113.89	105.34	109.60	114.08	118.80
Jan. 26	120.88	113.89	119.41	118.00	113.70	105.17	109.24	113.89	118.60
19	121.09	113.70	119.20	118.00	113.70	105.00	108.88	113.70	118.60
12	121.25	113.70	119.00	118.00	113.50	104.83	109.06	113.70	118.40
5	120.66	113,50	119,00	117.80	113.50	104.66	108.70	113.89	118.20
High 1945	122.59	115.04	121.04	118.80	115.24	106.74	112.00	114.46	119.61
Low 1945	120.55	113.50	118.80	117.80	113.31	104.48	108.52	113.70	118.20
1 Year Ago April 24, 1944	119.70	111.62	118.40	116.61	111.44	101.31	105.17	113.70	116.41
2 Years Ago April 24, 1943	118.23	109.79	118.00	115.43	110.52	96.69	101.14	113.12	115.63

MOODY'S BOND YIELD AVERAGES
(Based on Individual Closing Prices)

1945— Daily Averages	U. S. Govt. Bonds	Avge. Corporate*	Corporate by Ratings* Aaa	Aa	A	Baa	Corporate by Groups* R. R.	P. U.	Indus.
Apr. 24	1.64	2.90	2.61	2.73	2.89	3.35	3.06	2.94	2.68
23	1.63	2.90	2.61	2.72	2.90	3.36	3.07	2.94	2.68
21	1.63	2.90	2.61	2.72	2.90	3.36	3.07	2.94	2.69
20	1.63	2.90	2.61	2.73	2.90	3.36	3.07	2.94	2.69
19	1.63	2.90	2.61	2.73	2.90	3.35	3.07	2.94	2.69
18	1.62	2.90	2.61	2.72	2.89	3.36	3.07	2.94	2.69
17	1.62	2.90	2.61	2.72	2.90	3.36	3.07	2.93	2.69
16	1.63	2.90	2.61	2.72	2.90	3.36	3.07	2.94	2.68
14	Stock Exchange Closed.								
13	1.62	2.90	2.61	2.72	2.90	3.36	3.07	2.93	2.69
12	1.62	2.90	2.61	2.73	2.90	3.36	3.07	2.93	2.69
11	1.63	2.90	2.61	2.73	2.89	3.36	3.08	2.93	2.69
10	1.63	2.90	2.61	2.73	2.90	3.36	3.08	2.93	2.69
9	1.64	2.90	2.61	2.73	2.90	3.37	3.09	2.93	2.69
7	1.64	2.90	2.61	2.73	2.90	3.37	3.09	2.93	2.69
6	1.64	2.90	2.61	2.73	2.90	3.37	3.09	2.93	2.69
5	1.65	2.90	2.61	2.73	2.90	3.37	3.09	2.93	2.69
4	1.65	2.90	2.60	2.73	2.90	3.37	3.09	2.93	2.69
3	1.66	2.91	2.60	2.73	2.91	3.39	3.10	2.94	2.69
2	1.66	2.91	2.61	2.73	2.91	3.39	3.10	2.94	2.69
Mar. 31	1.66	2.91	2.60	2.73	2.91	3.39	3.10	2.94	2.69
23	1.65	2.90	2.60	2.72	2.91	3.38	3.09	2.94	2.68
16	1.65	2.90	2.61	2.71	2.92	3.37	3.11	2.93	2.68
9	1.66	2.91	2.62	2.72	2.92	3.38	3.12	2.93	2.68
2	1.69	2.92	2.63	2.72	2.93	3.38	3.13	2.94	2.67
Feb. 23	1.69	2.92	2.65	2.72	2.93	3.39	3.14	2.95	2.68
16	1.69	2.93	2.65	2.72	2.94	3.41	3.16	2.95	2.68
9	1.72	2.94	2.66	2.73	2.95	3.41	3.17	2.95	2.69
2	1.73	2.95	2.66	2.75	2.96	3.43	3.19	2.95	2.71
Jan. 26	1.77	2.96	2.68	2.75	2.97	3.44	3.21	2.96	2.72
19	1.75	2.97	2.69	2.75	2.97	3.45	3.23	2.97	2.72
12	1.74	2.97	2.70	2.75	2.98	3.46	3.22	2.97	2.73
5	1.79	2.98	2.70	2.76	2.98	3.47	3.24	2.96	2.74
High 1945	1.80	2.98	2.71	2.76	2.99	3.48	3.25	2.97	2.74
Low 1945	1.62	2.90	2.60	2.71	2.89	3.35	3.06	2.93	2.67
1 Year Ago April 24, 1944	1.83	3.08	2.73	2.82	3.09	3.67	3.44	2.97	2.83
2 Years Ago April 24, 1943	1.99	3.18	2.75	2.88	3.14	3.96	3.68	3.00	2.87

*These prices are computed from average yields on the basis of one "typical" bond (3¾% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the true picture of the bond market.

†The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, page 202.

Results Of Treasury Bill Offering

The Secretary of the Treasury, announced on April 23 that the tenders of $1,300,000,000 or thereabout of 91-day Treasury bills to be dated April 26 and to mature July 26, 1945, which were offered on April 20, were opened at the Federal Reserve Banks on April 23.

The details of this issue are as follows:

Total applied for, $2,109,276,000.

Total accepted, $1,310,260,000 (includes $56,028,000 entered on a fixed price basis at 99.905 and accepted in full).

Average price 99.905, equivalent rate of discount approximately 0.375% per annum.

Range of accepted competitive bids:

High, 99.908, equivalent rate of discount approximately 0.364% per annum.

Low, 99.905, equivalent rate of discount approximately 0.376% per annum.

(56% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on April 26 in the amount of $1,318,361,000.

Business Failures in March

Business failures in March were higher in number and amount of liabilities involved than in February and while lower in number the amount of liabilities involved was higher than on March, 1944. Business insolvencies in March, according to Dun & Bradstreet, Inc., totaled 85 and involved $3,880,000 liabilities, as compared with 66 in February, involving $1,557,000 and 96 involving 1,460,000 in March a year ago.

The commercial service group was the only classification having less failures in March than in February. When the amount of liabilities is considered all groups except the construction and commercial service groups had more liabilities involved in March than in February.

Manufacturing failures in March numbered 26, involving $3,067,000 liabilities, compared with 17 in February with $301,000 liabilities. Wholesale failures numbered 7 against 4 in February and liabilities were $160,000 against $64,000 in February. In the retail trade section, insolvencies numbered 37 in March against 26 in February and liabilities rose to $409,000 in March from $142,000 in February. In the construction group insolvencies increased to 10 from 8 but liabilities decreased from $241,000 in February to $175,000 in March. Commercial service failures fell to 5 with $69,000 liabilities in March from 11 with $809,000 liabilities in February.

When the country is divided into Federal Reserve Districts it is found that all districts had more failures in March than in February, except the Atlanta and Chicago Federal Reserve Districts which had less and the St. Louis Reserve District which had the same number. When the amount of liabilities is considered it is seen that only the Atlanta and St. Louis Reserve Districts had smaller liabilities involved in March than in February.

Moody's Daily Commodity Index

Tuesday, April 17, 1945	256.3
Wednesday, April 18	256.4
Thursday, April 19	256.4
Friday, April 20	256.3
Saturday, April 21	256.3
Monday, April 23	256.5
Tuesday, April 24	256.7
Two weeks ago, April 10	255.9
Month ago, March 24	255.3
Year ago, April 24, 1944	250.0
1943 High, April 1	249.8
Low, Jan. 2	240.2
1944 High, April 24	256.5
Low, Jan. 24	252.

Trading on New York Exchanges

The Securities and Exchange Commission made public on April 18 figures showing the volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended March 31, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended March 31 in round-lot transactions) totaled 1,395 912 shares, which amount was 15.41% of the total transactions on the Exchange of 4,528,270 shares. This compares with member trading during the week ended March 24 of 1,806,316 shares, or 16.07% of the total trading of 5,622,060 shares. On the New York Curb Exchange, member trading during the week ended March 31 amounted to 421,760 shares, or 18.12% of the total volume on that exchange of 1,163,970 shares. During the March 24 week trading for the account of Curb members of 589,295 shares was 14.15 of the total trading of 1,693,355.

Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members* (Shares)

WEEK ENDED MARCH 31, 1945

	Total for week	†%
A. Total Round-Lot Sales:		
Short sales	121,050	
‡Other sales	4,407,220	
Total sales	4,528,270	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	406,940	
Short sales	62,690	
‡Other sales	345,630	
Total sales	408,320	9.00
2. Other transactions initiated on the floor—		
Total purchases	150,580	
Short sales	9,940	
‡Other sales	144,730	
Total sales	154,670	3.37
3. Other transactions initiated off the floor—		
Total purchases	138,197	
Short sales	10,800	
‡Other sales	126,405	
Total sales	137,205	3.04
4. Total—		
Total purchases	695,717	
Short sales	83,430	
‡Other sales	616,765	
Total sales	700,195	15.41

Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members* (Shares)

WEEK ENDED MARCH 31, 1945

	Total for week	†%
A. Total Round-Lot Sales:		
Short sales	12,850	
‡Other sales	1,151,120	
Total sales	1,163,970	
B. Round-Lot Transaction for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	114,350	
Short sales	8,875	
‡Other sales	106,640	
Total sales	115,515	9.87
2. Other transactions initiated on the floor—		
Total purchases	37,450	
Short sales	1,100	
‡Other sales	26,270	
Total sales	27,370	2,79
3. Other transactions initiated off the floor—		
Total purchases	55,995	
Short sales	1,250	
‡Other sales	69,830	
Total sales	71,080	5.46
4. Total—		
Total purchases	207,795	
Short sales	11,225	
‡Other sales	202,740	
Total sales	213,965	18.12
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
§Customers' other sales	50,578	
Total purchases	50,578	
Total sales	38,300	

*The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.

†In calculating these percentages the total of members' purchases and sales is compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales.

‡Round-lot short sales which are exempted from restriction by the Commission's rules are included with "other sales."

§Sales marked "short exempt" are included with "other sales."

Wholesale Prices Up 0.4% for Week Ended April 14

Higher prices for a wide range of agricultural commodities brought the Bureau of Labor Statistics' index of commodity prices at the primary market level for the week ended April 14 up 0.4% to 105.5% of the 1926 average, a new peak, the U. S. Department of Labor announced in its report issued April 19, which continued:

"Except for reduced ceilings for print cloth there were no important changes reported in industrial commodity markets. Since the middle of March the all-commodity index has advanced 0.4% to a point 1.6% higher than at this time last year.

The announcement went on to say:

"**Farm Products and Foods**—Led by an increase of 3.9% for fresh fruits and vegetables and higher prices for cattle and cotton, average prices for farm products in primary markets rose 1.3% during the week to a level comparable to that in the autumn of 1920. Sharp increases were reported in prices for potatoes. Part of the increase was seasonal and part was the result of OPA action in raising ceiling prices at country shipping points on white potatoes grown in Florida and Texas in accordance with the Stabilization Extension Act. Substantial increases also occurred in prices for apples and lemons at Chicago, although prices were lower for oranges, onions and sweet potatoes. Livestock prices averaged 1.0% higher during the week because of increased prices for cows, steers and sheep. Calves, on the contrary, declined 3.8%. Cotton advanced 1.2% and a sharp increase was reported in prices for alfalfa hay, with decreases for timothy and clover hay. Decreases of less than 0.5% in the barley and wheat markets caused average prices for grains to drop 0.1%. Quotations were somewhat higher for corn and rye. In the past four weeks prices for farm products have advanced 1.2% and were 3.5% higher than at this time last year.

"Average prices for foods in primary markets rose 0.6% during the week largely because of the substantial increase in prices for fresh fruits and vegetables and upward adjustments in ceilings on cereal products. Since the middle of March average prices for foods have advanced 0.9% to a point 0.5% higher than at this time last year.

The following notation was included in the Labor Department's report:

Note—During the period of rapid changes caused by price controls, materials allocation, and rationing, the Bureau of Labor Statistics will attempt promptly to report changing prices. The indexes must be considered as preliminary and subject to such adjustment and revision as required by later and more complete reports.

Industrial Commodities—Few changes were reported in prices for industrial commodities during the week. Ceilings on cotton fabrics in the print cloth yarn group were reduced 1 cent per pound by OPA, effective April 14. Minor increases occurred in prices for common brick in certain areas and turpentine rose 0.3%.

The following tables show: (1) indexes for the principal groups of commodities for the past three weeks, for March 17, 1945 and April 15, 1944, and the percentage changes from a week ago, a month ago and a year ago, and (2) percentage changes in subgroup indexes from April 7, 1945 to April 14, 1945.

WHOLESALE PRICES FOR WEEK ENDED APRIL 14, 1945
(1926=100)

						Percentage change to April 14, 1945, from—		
Commodity Groups—	4-14 1945	4-7 1945	3-31 1945	3-17 1945	4-15 1944	4-7 1945	3-17 1945	4-15 1944
All commodities	105.5	105.1	105.1	105.1	103.8	+0.4	+0.4	+ 1.6
Farm products	128.9	127.2	127.3	127.4	124.5	+1.3	+1.2	+ 3.5
Foods	105.5	104.9	104.8	104.6	105.0	+0.6	+0.9	+ 0.5
Hides and leather products	118.3	118.3	118.3	118.2	117.6	0	+0.1	+ 0.6
Textile products	99.1	99.2	99.2	99.2	97.3	—0.1	—0.1	+ 1.8
Fuel and lighting materials	84.0	84.0	83.9	83.9	83.6	0	+0.1	+ 0.5
Metals and metal products	104.3	104.3	104.3	104.3	103.8	0	0	+ 0.5
Building materials	117.0	117.0	116.9	116.9	114.7	0	+0.1	+ 2.0
Chemicals and allied products	94.9	94.9	94.9	94.9	95.5	0	0	— 0.6
Housefurnishing goods	106.2	106.2	106.2	106.2	106.0	0	0	+ 0.2
Miscellaneous commodities	94.6	94.6	94.4	94.4	93.3	0	+0.2	+ 1.4
Raw materials	117.3	116.1	116.2	116.3	113.9	+1.0	+0.9	+ 3.0
Semimanufactured articles	94.8	94.9	94.9	94.9	93.5	—0.1	—0.1	+ 1.4
Manufactured products	102.0	101.9	101.9	101.8	100.9	+0.1	+0.2	+ 1.1
All commodities other than farm products	100.4	100.3	100.3	100.3	99.4	+0.1	+0.1	+ 1.0
All commodities other than farm products and foods	99.5	99.5	99.4	99.4	98.5	0	+0.1	+ 1.0

PERCENTAGE CHANGES IN SUBGROUP INDEXES FROM APRIL 7, 1945 TO APRIL 14, 1945

Increases

Fruits and vegetables	3.9	Livestock and poultry	1.0
Other farm products	2.0	Cereal products	0.4
Brick and tile	0.1		

Decreases

Cotton goods	0.3	Grains	0.1

Non-Ferrous Metals—Sales Volume in Copper And Zinc Off on Cutback in War Output Program

"E. & M. J. Metal and Mineral Markets," in its issue of April 19, states: "Cutbacks in the war production program were responsible for a reduced rate of buying in both copper and zinc. Fabricators, who less than a month ago showed little or no concern over inventories, now are reducing their holdings. The revision in ammunition schedules has been more drastic than generally expected. Though lead buying has moderated in a few directions, demand remains substantial. Tin is tight, and likely to remain so until production can be resumed in the Far East. Quicksilver on spot was easier, but forward metal was unchanged." The publication further went on to say in part:

Copper

Buying of copper for May shipment was described as slow. Fabricators who increased their inventories earlier in the year are now inclined to reduce their reserves. April deliveries will be well under the record established in March, and May will fall below April, based on current estimates.

Foreign Economic Administrator Crowley stated last week that the British have made available under reverse Lend-Lease 30,000 tons of Rhodesian copper in the first quarter, and agreed to supply 42,000 tons in the second quarter, this latter consignment being a part of a total of 175,000 tons requested for delivery over the remainder of the year.

Mine output of copper in the United States in February was 66.037 tons, according to a preliminary estimate by the Bureau of Mines. This compares with 67,681 tons in January. The daily rate of production for February was 2,358 tons, against 2,183 tons in January.

Canadian mines produced 22,191 tons of copper in January, against 23,039 tons in December.

Lead

Though most producers report that the call for lead has not subsided, there are some who believe that consumers engaged in war work are less excited about obtaining the metal because of limitations on civilian consumption and a downward revision in war requirements. Sales of lead for the last week amounted to 9,426 tons, against 7,069 tons in the preceding week.

WPB officials informed members of the Lead Mining Labor Advisory Committee that minimum needs for lead (primary and secondary) in the second quarter will amount to 276,910 tons. Lead supply, it was estimated, may fall 25,910 tons short of this total.

Mine output of lead during February was estimated by the Bureau of Mines at 31,398 tons, against 34,400 tons in January. The daily rate of production for both months was about the same.

Zinc

With war demands diminishing, buying of zinc continued on the quiet side throughout the week. March unquestionably marked the peak in shipments, most observers believe. Deliveries for April and May will be sharply lower.

Production of galvanized sheets during the first two months of 1945 amounted to 296,268 tons, which compares with 194,461 tons, in Jan.-Feb. period of 1944, according to the American Iron and Steel Institute.

Tin

Production of tin-plate in the United States during the first two months of 1945 totaled 472,456 tons, against 335,822 tons in Jan.-Feb. period of 1944. Electrolytic lines produced 134,431 tons in the first two months of the current year, against 84,644 tons in the same period last year.

There were no new developments in the tin market. Straits quality tin continued at 52c. a pound, with forward quotations nominally as follows:

	April	May	June
April 12	52.000	52.000	52.000
April 13	52.000	52.000	52.000
April 14	52.000	52.000	52.000
April 16	52.000	52.000	52.000
April 17	52.000	52.000	52.000
April 18	52.000	52.000	52.000

Chinese, or 99% tin, continued at 51.125c. per pound.

Quicksilver

Activity in quicksilver during the last week centered in Spanish metal, which sold in quantity for April shipment from abroad on the basis of $152 per flask, duty paid, New York. Rumors that FBI agents have been looking into the financial aspects of transactions in Spanish metal attracted only mild interest in the local market. Pacific Coast operators, consumers claim, have been hinting that quicksilver is being used as a medium to transfer funds from Europe to this country.

Spot quicksilver was available at prices ranging from $156 to $161 per flask, New York, depending on quantity. The decline in spot metal was expected because of the wide spread that has prevailed between the spot and forward positions.

San Francisco quotes $151 to $153 per flask with the market steady.

Silver

The London silver market was quiet and unchanged at 25½d. The New York Official for foreign silver continued at 44¾c., with domestic metal at 70⅝c.

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on April 18 a summary for the week ended April 7 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE

Week Ended April 7, 1945

	Total For Week
Odd-lot Sales by Dealers (Customers' purchases)	
Number of orders	17,838
Number of shares	490,340
Dollar value	$21,425,434
Odd-Lot Purchases by Dealers—(Customers' sales)	
Number of Orders:	
Customers' short sales	142
*Customers' other sales	17,818
Customers' total sales	17,960
Number of Shares:	
Customers' short sales	5,299
*Customers' other sales	438,267
Customers' total sales	443,566
Dollar value	$17,586,947
Round-Lot Sales by Dealers—	
Number of Shares:	
Short sales	240
†Other sales	96,120
Total sales	96,360
Round-Lot Purchases by Dealers:	
Number of shares	160,060

*Sales marked "short exempt" are reported with "other sales."

†Sales to offset customers' odd-lot orders and sales to liquidate a long position which is less than a round lot are reported with "other sales."

Weekly Coal and Coke Production Statistics

The total production of soft coal in the week ended April 14, 1945, is estimated by the Bureau of Mines at 10,270,000 net tons, an increase of 2,550,000 tons over the preceding week, according to the United States Department of the Interior. Output in the corresponding week of 1944 was 11,710,000 tons. The total production of soft coal from Jan. 1 to April 14, 1945, is estimated at 170,191,000 net tons, a decrease of 8.9% when compared with the 186,762,000 tons produced during the period from Jan. 1 to April 15, 1944.

Production of Pennsylvania anthracite for the week ended April 14, 1945, as estimated by the Bureau of Mines, was 1,299,000 tons, an increase of 219,000 tons (20.3%) over the preceding week. When compared with the output in the corresponding week of 1944 there was an increase of 91,000 tons, or 7.5%. The calendar year to date shows a decrease of 14.5% when compared with the same period in 1944.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended April 14, 1945, showed a decrease of 6,400 tons when compared with the output for the week ended April 7, 1945; and was 75,400 tons less than for the corresponding week of 1944.

ESTIMATED UNITED STATES PRODUCTION OF BITUMINOUS COAL AND LIGNITE IN NET TONS

	Week Ended			Jan. 1 to Date	
Bituminous coal & lignite—	Apr. 14, 1945	Apr. 7, 1945	Apr. 15, 1944	*Apr. 14, 1945	Apr. 15, 1944
Total including mine fuel	10,270,000	7,720,000	11,710,000	170,191,000	186,762,000
Daily average	1,712,000	1,485,000	1,952,000	1,917,000	2,068,000

*Subject to current adjustment.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND COKE

(In Net Tons)

	Week Ended			Calendar Year to Date		
Penn. anthracite—	‡Apr. 14, 1945	§Apr. 7, 1945	Apr. 15, 1944	Apr. 14, 1945	Apr. 15, 1944	Apr. 17, 1937
*Total incl. coll. fuel	1,299,000	1,080,000	1,208,000	16,257,000	19,019,000	16,526,000
†Commercial produc.	1,247,000	1,037,000	1,160,000	15,607,000	18,258,000	15,700,000
Beehive coke—						
United States total	68,500	74,900	143,900	1,632,600	2,319,800	1,086,800

*Includes washery and dredge coal, and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Subject to revision. §Revised.

ESTIMATED WEEKLY PRODUCTION OF BITUMINOUS COAL AND LIGNITE, BY STATES, IN NET TONS

(The current weekly estimates are based on railroad carloadings and river shipments and are subject to revision on receipt of monthly tonnage reports from district and State sources or of final annual returns from the operators.)

	Week Ended		
State—	Apr. 7, 1945	Mar. 31, 1945	Apr. 8, 1944
Alabama	121,000	398,000	370,000
Alaska	6,000	6,000	6,000
Arkansas and Oklahoma	68,000	95,000	88,000
Colorado	101,000	154,000	162,000
Georgia and North Carolina	*	*	*
Illinois	1,122,000	1,501,000	1,523,000
Indiana	244,000	563,000	544,000
Iowa	32,000	58,000	53,000
Kansas and Missouri	123,000	156,000	170,000
Kentucky—Eastern	452,000	1,010,000	950,000
Kentucky—Western	274,000	353,000	334,000
Maryland	28,000	41,000	40,000
Michigan	3,000	3,000	2,000
Montana (bitum. & lignite)	60,000	87,000	94,000
New Mexico	21,000	32,000	40,000
North & South Dakota (lignite)	33,000	34,000	37,000
Ohio	484,000	717,000	674,000
Pennsylvania (bituminous)	1,774,000	3,080,000	2,862,000
Tennessee	47,000	148,000	145,000
Texas (bituminous & lignite)	2,000	2,000	3,000
Utah	105,000	136,000	153,000
Virginia	211,000	374,000	377,000
Washington	25,000	37,000	29,000
†West Virginia—Southern	1,423,000	2,091,000	2,214,000
‡West Virginia—Northern	849,000	1,040,000	980,000
Wyoming	112,000	200,000	185,000
§Other Western States	*	*	1,000
Total bituminous & lignite	7,720,000	12,316,000	12,036,000

†Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason, and Clay counties. ‡Rest of State, including the Panhandle District and Grant, Mineral, and Tucker counties. §Includes Arizona and Oregon. *Less than 1,000 tons.

Weekly Statistics of Paperboard Industry

We give herewith latest figures received by us from the National Paperboard Association, Chicago, Ill., in relation to activity in the paperboard industry.

The members of this Association represent 83% of the total industry, and its program includes a statement each week from each member of the orders and production, and also a figure which indicates the activity of the mill based on the time operated. These figures are advanced to equal 100%, so that they represent the total industry.

STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period 1945—Week Ended	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity Current	Percent of Activity Cumulative
January 6	189,769	125,882	532,194	80	80
January 13	149,921	150,011	524,308	95	87
January 20	131,901	150,876	503,240	94	89
January 27	159,885	152,075	510,931	95	91
February 3	204,550	148,139	565,064	92	91
February 10	149,590	151,307	560,960	93	92
February 17	145,541	149,816	553,609	93	92
February 24	131,989	152,755	529,238	97	93
March 3	181,377	150,486	558,285	96	93
March 10	177,711	152,611	580,804	94	93
March 17	129,948	153,625	557,986	95	93
March 24	137,911	158,551	537,005	99	94
March 31	178,483	162,386	549,631	100	94
April 7	203,891	146,832	604,720	92	94
April 14	159,733	158,938	604,214	97	94

Notes—Unfilled orders of the prior week, plus orders received, less production, do not necessarily equal the unfilled orders at the close. Compensation for delinquent reports, orders made for or filled from stock, and other items made necessary adjustments of unfilled orders.

Revenue Freight Car Loadings During Week Ended April 14, 1945 Increased 81,628 Cars

Loading of revenue freight for the week ended April 14, 1945 totaled 846,391 cars, the Association of American Railroads announced on April 19. This was an increase above the corresponding week of 1944 of 47,708 cars, or 6.0%, and an increase above the same week in 1943 of 65,483 cars or 8.4%.

Loading of revenue freight for the week of April 14 increased 81,628 cars, or 10.7% above the preceding week.

Miscellaneous freight loading totaled 399,620 cars, an increase of 10,784 cars above the preceding week, and an increase of 26,200 cars above the corresponding week in 1944.

Loading of merchandise less than carload lot freight totaled 114,602 cars, an increase of 5,667 cars above the preceding week and an increase of 9,752 cars above the corresponding week in 1944.

Coal loading amounted to 154,251 cars an increase of 36,104 cars above the preceding week, but a decrease of 9,119 cars below the corresponding week in 1944.

Grain and grain products loading totaled 49,759 cars an increase of 3,418 cars above the preceding week and an increase of 12,781 cars above the corresponding week in 1944. In the Western Districts alone, grain and grain products loading for the week of April 14, totaled 33,246 cars, an increase of 2,850 cars above the preceding week and an increase of 8,815 cars above the corresponding week in 1944.

Livestock loading amounted to 15,422 cars, an increase of 886 cars above the preceding week and an increase of 595 cars above the corresponding week in 1944. In the Western Districts alone loading of live stock for the week of April 14 totaled 12,078 cars, an increase of 1,006 cars above the preceding week, and an increase of 951 cars above the corresponding week in 1944.

Forest products loading totaled 41,368 cars an increase of 2,280 cars above the preceding week but a decrease of 1,944 cars below the corresponding week in 1944.

Ore loading amounted to 58,834 cars an increase of 23,397 cars above the preceding week and an increase of 11,414 cars above the corresponding week in 1944.

Coke loading amounted to 12,535 cars a decrease of 908 cars below the preceding week, and a decrease of 1,971 cars below the corresponding week in 1944.

All districts reported increases compared with the corresponding week in 1944. All districts reported increases compared with corresponding week in 1943 except the Pocahontas and Southwestern.

	1945	1944	1943
4 Weeks of January	3,001,544	3,158,700	2,910,638
4 Weeks of February	3,049,697	3,154,116	3,055,725
5 Weeks of March	4,018,627	3,916,037	3,845,547
Week of April 7	764,763	787,985	789,019
Week of April 14	846,391	798,683	780,908
Total	11,681,022	11,815,521	11,381,837

The following table is a summary of the freight carloadings for the separate railroads and systems for the weeks ended April 7 and April 14, 1945. During the first mentioned period 52 roads showed increases when compared with the corresponding week in 1944, while during the second period 84 roads reported gains over the week ended April 15, 1944.

Lumber Movement—Week Ended April 14, 1945

According to the National Lumber Manufacturers Association, lumber shipments of 463 mills reporting to the National Lumber Trade Barometer were 0.3% above production for the week April 14, 1945. In the same week new orders of these mills were 2.7% more than production. Unfilled order files of the reporting mills amounted to 111% of stocks. For reporting softwood mills, unfilled orders are equivalent to 38 days' production at the current rate, and gross stocks are equivalent to 32 days' production.

For the year-to-date, shipments of reporting identical mills exceeded production by 8.0%; orders by 15.2%.

Compared to the average corresponding week of 1935-1939, production of reporting mills was 9.6% greater; shipments were 4.2% greater; and orders were 8.8% greater.

Extend Mail to Italy

Postmaster Albert Goldman announces information has been received from Washington that effective April 19, 1945, mail service for letters and post cards for Italy shall be extended to the following places:

The whole of the Province of Pisa.

The Province of Firenze (Florence) as far north as the towns of Prato and Sesto.

The cities of Lucca and Pistoia and the areas immediately surrounding them.

Letters and packages prepaid at the letter rate of postage will be accepted for mailing up to a weight limit of 2 pounds 3 ounces, but are restricted to communications (personal or business) which are not transactional in character. No merchandise or foodstuffs may be included.

Registry service is available.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS

(NUMBER OF CARS—WEEKS ENDED APRIL 7 AND APRIL 14)

Railroads	Week Ended April 7					Week Ended April 14				
	Total Revenue Freight Loaded			Total Loads Received from Connections		Total Revenue Freight Loaded			Total Loads Received from Connections	
Eastern District—	1945	1944	1943	1945	1944	1945	1944	1943	1945	1944
Ann Arbor	273	245	292	1,499	1,538	256	290	263	1,628	1,356
Bangor & Aroostook	2,982	2,436	2,305	496	289	2,836	2,048	1,655	514	302
Boston & Maine	6,990	6,801	6,146	16,592	16,648	7,208	6,649	6,037	16,300	15,192
Chicago, Indianapolis & Louisville	1,009	1,222	1,496	2,044	2,032	1,238	1,224	1,549	2,189	2,037
Central Indiana	28	31	36	43	36	25	28	46	39	28
Central Vermont	1,055	1,104	974	2,025	2,366	1,091	1,017	1,037	2,214	2,061
Delaware & Hudson	4,593	4,753	6,482	14,107	13,347	5,089	4,618	6,563	14,079	12,568
Delaware, Lackawanna & Western	7,352	7,210	7,532	12,231	11,531	7,917	7,068	7,605	11,841	10,924
Detroit & Mackinac	214	252	246	140	98	248	268	236	181	86
Detroit, Toledo & Ironton	1,659	1,582	1,597	1,376	1,271	1,834	1,638	1,764	1,344	1,275
Detroit & Toledo Shore Line	429	337	322	3,631	2,871	461	296	326	3,527	2,630
Erie	12,175	13,006	12,225	18,099	17,670	12,694	13,118	12,190	17,991	17,206
Grand Trunk Western	3,987	3,724	3,671	9,949	9,017	4,282	3,664	3,686	9,084	8,316
Lehigh & Hudson River	206	181	197	3,628	3,199	185	165	145	4,071	3,217
Lehigh & New England	1,717	1,718	2,055	1,386	1,588	1,672	1,865	2,049	1,528	1,780
Lehigh Valley	7,941	8,080	7,324	12,114	16,613	8,645	7,780	7,020	12,254	15,487
Maine Central	2,387	2,137	2,437	4,620	4,047	2,569	2,332	2,145	4,583	3,326
Monongahela	4,226	6,596	6,683	280	343	5,396	6,625	6,711	280	328
Montour	1,546	2,542	2,681	19	29	2,012	2,448	2,369	26	16
New York Central Lines	47,422	45,977	53,045	49,571	55,254	51,178	44,574	52,579	50,421	52,930
N. Y., N. H. & Hartford	10,251	10,143	9,851	18,912	20,784	10,968	10,331	9,893	18,736	18,220
New York, Ontario & Western	952	1,032	929	3,626	3,580	1,063	1,038	894	3,491	3,008
New York, Chicago & St. Louis	6,466	6,148	6,014	15,843	16,771	6,995	6,198	6,036	16,104	15,838
N. Y., Susquehanna & Western	430	440	576	2,405	2,377	451	448	632	2,218	2,269
Pittsburgh & Lake Erie	7,490	8,042	7,817	6,765	7,568	7,484	7,720	7,454	7,594	7,917
Pere Marquette	5,040	4,725	4,907	8,462	7,797	5,144	4,695	4,933	8,451	7,200
Pittsburg & Shawmut	687	729	943	39	21	849	642	758	21	16
Pittsburg, Shawmut & North	170	280	342	270	268	262	310	331	295	234
Pittsburgh & West Virginia	775	828	833	3,358	2,747	943	1,162	976	3,171	2,502
Rutland	372	375	330	1,100	1,064	340	349	342	1,199	1,037
Wabash	5,945	5,469	5,525	11,827	12,241	6,607	5,097	5,372	12,669	11,833
Wheeling & Lake Erie	5,146	5,179	4,990	5,070	4,390	5,904	4,944	4,759	5,270	4,089
Total	151,915	153,324	160,803	231,527	239,395	163,846	150,649	158,355	233,313	225,228
Allegheny District—										
Akron, Canton & Youngstown	836	674	843	1,415	1,316	813	718	738	1,288	1,441
Baltimore & Ohio	40,324	42,458	41,262	29,404	29,143	45,390	41,414	40,509	29,309	27,647
Bessemer & Lake Erie	2,047	3,047	2,942	1,777	1,808	5,838	3,594	2,731	1,541	1,716
Buffalo Creek & Gauley	*	*	290	*	*	*	*	295	*	*
Cambria & Indiana	988	1,692	1,872	6	6	1,263	1,523	1,923	10	13
Central R. R. of New Jersey	6,696	6,717	7,258	22,564	20,717	6,604	6,810	6,623	22,043	19,337
Cornwall	401	593	315	65	62	535	527	690	66	55
Cumberland & Pennsylvania	139	233	311	6	15	163	224	232	10	25
Ligonier Valley	64	122	118	42	30	90	130	146	66	46
Long Island	1,739	1,180	1,439	4,435	3,876	1,623	1,152	1,240	4,960	3,401
Penn-Reading Seashore Lines	1,998	1,763	1,647	2,555	2,726	2,008	1,801	1,706	2,704	2,502
Pennsylvania System	75,167	80,103	78,706	62,030	66,311	84,391	80,260	77,234	65,720	66,845
Reading Co.	14,795	13,685	15,438	31,259	29,735	15,894	14,634	15,967	30,748	27,652
Union (Pittsburgh)	18,837	20,210	20,325	3,625	4,236	14,914	20,076	20,464	6,492	4,832
Western Maryland	3,310	4,400	4,267	14,888	13,662	4,021	4,325	4,049	14,634	13,056
Total	167,341	176,877	177,033	174,071	173,643	183,547	177,188	174,547	179,591	168,568
Pocahontas District—										
Chesapeake & Ohio	21,328	27,769	29,644	14,378	14,092	27,658	28,110	29,272	16,283	13,281
Norfolk & Western	15,361	21,218	23,143	8,860	7,333	21,193	20,594	22,771	9,216	7,257
Virginian	3,150	4,177	5,099	3,075	2,464	4,421	4,078	4,779	3,307	2,223
Total	39,839	53,164	57,886	26,313	23,889	53,272	52,782	56,822	28,806	22,761

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections		Total Revenue Freight Loaded			Total Loads Received from Connections	
Southern District—	1945	1944	1943	1945	1944	1945	1944	1943	1945	1944
Alabama, Tennessee & Northern	365	368	328	432	395	540	392	264	392	463
Atl. & W. P.—W. R. R. of Ala	969	852	892	2,576	2,509	925	843	821	2,400	2,672
Atlanta, Birmingham & Coast	1,142	671	703	1,349	1,633	1,319	782	756	1,629	1,666
Atlantic Coast Line	13,198	13,458	15,444	12,919	11,486	13,608	13,776	14,874	11,850	11,613
Central of Georgia	3,772	3,952	4,399	5,741	4,904	4,099	4,029	4,305	5,883	4,593
Charleston & Western Carolina	477	423	470	1,542	2,025	494	465	466	1,499	1,967
Clinchfield	1,486	1,643	1,678	2,732	3,010	1,629	1,583	1,629	2,691	3,328
Columbus & Greenville	274	282	337	216	193	229	240	328	264	248
Durham & Southern	94	123	116	711	828	109	118	98	614	717
Florida East Coast	3,550	3,421	2,894	1,340	2,014	2,263	4,289	2,742	1,515	1,826
Gainesville Midland	47	38	44	160	174	53	48	49	151	201
Georgia	1,205	1,384	1,786	2,435	2,684	1,112	1,336	2,601	2,359	2,578
Georgia & Florida	371	417	357	836	723	452	377	335	795	704
Gulf, Mobile & Ohio	4,542	4,163	3,803	4,203	4,599	4,752	3,992	3,795	4,394	4,274
Illinois Central System	26,569	27,552	25,759	17,290	18,114	29,808	26,211	25,768	19,006	16,990
Louisville & Nashville	19,126	24,673	25,579	12,397	12,181	23,216	24,428	24,865	13,021	11,422
Macon, Dublin & Savannah	229	218	195	1,088	1,022	211	142	195	1,008	1,150
Mississippi Central	464	213	223	418	754	450	319	254	408	578
Nashville, Chattanooga & St. L.	3,372	3,267	3,173	4,444	4,543	3,634	3,130	3,314	4,545	4,464
Norfolk Southern	1,010	950	1,123	1,531	1,885	1,197	1,022	1,129	1,549	1,785
Piedmont Northern	433	404	357	1,248	1,432	473	400	365	1,213	1,172
Richmond, Fred. & Potomac	453	435	459	12,394	11,798	492	437	403	13,044	11,337
Seaboard Air Line	11,304	10,832	11,456	8,880	9,380	11,868	10,623	11,280	9,165	9,419
Southern System	23,056	23,795	22,607	25,124	25,601	25,711	22,798	21,749	26,617	23,931
Tennessee Central	648	736	509	724	752	705	822	469	720	868
Winston-Salem Southbound	130	153	114	1,214	1,106	138	120	120	1,211	951
Total	118,286	124,423	124,805	123,944	125,745	129,397	122,722	122,974	127,943	120,917
Northwestern District—										
Chicago & North Western	17,827	16,754	17,665	13,689	13,803	19,014	17,299	17,209	13,792	13,275
Chicago Great Western	2,308	2,609	2,629	3,538	3,585	2,934	2,412	2,706	3,591	3,473
Chicago, Milw., St. P. & Pac.	19,168	19,130	18,671	10,424	10,387	19,806	19,152	19,087	10,698	9,811
Chicago, St. Paul, Minn. & Omaha	3,162	2,959	3,033	3,641	4,301	3,384	3,029	2,847	3,847	3,932
Duluth, Missabe & Iron Range	10,921	2,488	1,434	200	139	21,096	16,827	1,837	244	238
Duluth, South Shore & Atlantic	497	650	465	641	618	784	666	505	687	555
Elgin, Joliet & Eastern	8,984	9,295	8,460	11,091	12,044	9,169	8,365	8,472	11,618	11,073
Ft. Dodge, Des Moines & South	350	391	452	109	88	412	361	452	110	94
Great Northern	14,242	13,283	10,134	6,282	5,464	18,164	17,062	10,715	6,731	5,770
Green Bay & Western	411	504	441	931	942	427	467	465	898	928
Lake Superior & Ishpeming	1,634	748	623	77	63	2,077	1,778	471	58	65
Minneapolis & St. Louis	1,830	1,992	1,895	2,420	2,584	2,095	1,930	1,985	2,385	2,569
Minn., St. Paul & S. S. M.	4,544	5,509	4,551	3,174	3,806	5,466	5,722	5,395	3,167	4,106
Northern Pacific	9,693	10,072	8,688	5,345	5,499	9,020	9,759	9,251	5,737	5,419
Spokane International	240	99	86	689	611	169	112	124	601	586
Spokane, Portland & Seattle	2,413	2,686	2,295	3,372	3,115	2,475	2,510	2,369	3,448	2,742
Total	98,224	89,169	81,522	65,623	67,049	116,492	107,451	83,890	67,612	64,636
Central Western District—										
Atch., Top. & Santa Fe System	24,834	21,761	21,700	13,752	12,409	25,910	21,528	22,164	16,032	11,679
Alton	3,918	2,765	2,841	4,200	4,281	3,927	2,871	2,903	4,214	3,967
Bingham & Garfield	382	503	550	53	80	357	530	481	68	77
Chicago, Burlington & Quincy	18,360	18,627	18,164	11,741	12,157	19,262	17,841	16,658	12,082	11,420
Chicago & Illinois Midland	2,580	3,240	3,244	914	928	3,254	3,104	2,866	985	1,015
Chicago, Rock Island & Pacific	11,398	11,244	12,313	14,171	13,207*	12,908	10,619	12,714	13,454	12,921
Chicago & Eastern Illinois	2,303	2,541	2,653	4,213	6,305	2,409	2,258	2,656	4,653	6,281
Colorado & Southern	599	716	709	2,067	1,982	519	642	705	1,895	2,035
Denver & Rio Grande Western	2,899	3,363	3,113	6,191	6,182	3,214	3,081	3,077	6,469	5,604
Denver & Salt Lake	337	758	564	26	30	442	709	577	23	15
Fort Worth & Denver City	973	868	1,004	1,506	1,338	932	783	868	1,519	1,349
Illinois Terminal	2,480	2,138	1,814	2,179	2,049	2,541	1,987	1,762	2,421	1,848
Missouri-Illinois	984	1,029	1,042	605	499	1,081	962	1,038	648	458
Nevada Northern	1,318	1,710	1,954	102	118	1,359	1,754	1,948	117	108
North Western Pacific	673	777	913	764	766	726	804	1,068	611	683
Peoria & Pekin Union	2	10	9	0	0	5	1	8	0	0
Southern Pacific (Pacific)	28,582	29,041	27,252	15,006	15,406	29,314	29,242	24,324	15,492	15,203
Toledo, Peoria & Western	258	290	237	2,270	2,142	283	294	259	2,467	1,884
Union Pacific System	16,178	15,291	12,866	16,351	17,331	16,576	14,359	13,177	17,886	6,022
Utah	380	469	581	3	5	553	528	576	5	4
Western Pacific	1,820	1,792	1,613	4,330	4,250	1,950	1,774	1,871	4,875	4,005
Total	121,258	118,933	115,136	100,444	101,465	127,522	115,671	111,700	105,916	96,578
Southwestern District—										
Burlington-Rock Island	367	206	1,035	341	249	337	277	1,037	455	458
Gulf Coast Lines	6,165	7,015	5,969	4,224	2,801	7,023	7,547	6,551	3,366	2,638
International-Great Northern	2,424	2,049	2,149	3,160	4,166	2,860	2,199	2,526	4,283	4,169
Kansas, Oklahoma & Gulf	261	285	386	2,004	1,115	224	274	352	1,416	1,080
Kansas City Southern	4,873	6,275	5,087	3,279	2,942	4,961	6,332	5,394	3,420	2,766
Louisiana & Arkansas	2,543	3,287	3,562	2,839	2,466	3,057	3,327	3,167	3,172	2,467
Litchfield & Madison	314	352	269	1,245	1,189	269	349	311	1,456	1,167
Midland Valley	585	683	525	418	483	625	702	649	544	422
Missouri & Arkansas	119	202	165	297	286	118	185	143	441	334
Missouri-Kansas-Texas Lines	7,041	6,441	5,898	5,768	4,983	7,161	6,013	5,846	6,115	4,413
Missouri Pacific	14,541	15,610	16,358	17,856	21,129	16,240	15,349	16,865	19,583	21,672
Quanah Acme & Pacific	89	124	53	511	367	115	118	62	450	282
St. Louis-San Francisco	8,515	8,129	8,708	8,430	9,595	8,502	7,894	8,513	8,436	9,362
St. Louis Southwestern	3,108	2,967	3,136	7,712	7,003	3,970	3,009	3,400	8,897	6,783
Texas & New Orleans	10,803	12,272	14,066	6,184	5,657	11,524	12,316	13,430	5,943	5,668
Texas & Pacific	6,022	6,090	4,335	5,734	7,985	5,218	6,227	4,259	8,582	8,155
Wichita Falls & Southern	95	76	113	40	85	76	83	102	42	147
Weatherford M. W. & N. W.	35	32	20	25	24	35	19	13	34	25
Total	67,900	72,095	71,834	70,067	72,525	72,315	72,220	72,620	76,635	72,008

*Included in Baltimore & Ohio RR.

Note—Previous year's figures revised.

1st Quar. Rayon Shipments

Rayon shipments for the first quarter of 1945 totaled 185,600,000 pounds of rayon, against 172,800,000 pounds shipped in the corresponding 1944 quarter, states the "Rayon Organon," published by the Textile Economics Bureau, Inc. A 1% decline, however, took place from the closing 1944 quarter when 187,200,000 pounds of rayon yarn and staple were delivered. Between January and March, 1945, 144,300,000 pounds of rayon filament yarn and 41,300,000 pounds of staple were shipped.

March filament rayon yarn deliveries reached 51,000,000 pounds, while staple fiber shipments amounted to 14,100,000 pounds. These data show increases over the February figures of 45,500,000 pounds of yarn and 12,800,000 pounds of staple fiber, due principally to the larger number of days in March.

March ending stocks were practically the same as February's, showing a total of 10,500,000 pounds divided 7,400,000 pounds of yarn and 3,100,000 pounds of staple.

Total cellulose consumption by the rayon industry increased from 336,500 short tons in 1943 to 367,000 tons in 1944, making an overall rise of 9.1%, states the "Organon." At the same time, rayon production rose by 9.2%. The greater share of the pulp rise occurred in cotton linters pulp, which increased by 47.7% from 55,500 tons in 1943 to 82,000 tons in 1944. On the other hand, wood pulp consumption of 285,000 tons was only 4,000 tons above the previous year's figure. Last year 78% of the pulp used was wood and 22% linters, while the previous year 84% was wood and 16% linters.

The viscose-cupra branch of the rayon industry consumes between 75% and 80% wood pulp and the remainder linters, while the acetate plants averaged about 70% wood pulp and 30% linters pulp.

Cotton Spinning for March

The Bureau of the Census announced April 20 that, according to preliminary figures, 23,125,442 cotton spinning spindles were in place in the United States on March 31, 1945, of which, 22,232,168 were operated at some time during the month compared with 22,223,848 in February, 22,260,628 operated in January, 1945, 22,219,768 in December, 22,257,040 in November, and 22,569,588 in March, 1944. The aggregate number of active spindle hours reported for the month was 9,914,022,376, an average of 429 per spindle in place, compared with 8,925,455,509, an average of 386 per spindle in place, for last month and 10,636,931,086, an average of 456 per spindle in place, for March, 1944. Based on an activity of 80 hours per week, cotton spindles in the United States were operated during March, 1945, at 121.8% capacity. The percent on the same activity basis was 122.2% for February, 119.7 for January, 1945, 118.5 for December, 120.6 for November, and 123.9 for March, 1944.

Daily Average Crude Oil Production for Week Ended April 14, 1945 Increased 27,200 Barrels

The American Petroleum Institute estimates that the daily average gross crude oil production for the week ended April 14, 1945, was 4,811,065 barrels, an increase of 27,200 barrels per day over the preceding week and a gain of 378,915 barrels per day over the corresponding week of 1944. The current figure, however, was 16,735 barrels below the daily average figure recommended by the Petroleum Administration for War for the month of April, 1945. Daily production for the four weeks ended April 14, 1945, averaged 4,789,600 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran stills on a Bureau of Mines basis approximately 4,770,000 barrels of crude oil daily and produced 14,270,000 barrels of gasoline; 1,422,000 barrels of kerosine; 5,006,000 barrels of distillate fuel, and 9,137,000 barrels of residual fuel oil during the week ended April 14, 1945; and had in storage at the end of that week; 52,485,000 barrels of civilian grade gasoline; 44,925,000 barrels of military and other gasoline; 7,562,000 barrels of kerosine; 27,886,000 barrels of distillate fuel, and 41,538,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations April	*State Allowables Begin. April 1	Actual Production Week Ended Apr. 14, 1945	Change from Previous Week	4 Weeks Ended Apr. 14, 1945	Week Ended Apr. 15, 1944
Oklahoma	367,500	367,500	†378,300	+ 3,750	373,800	331,900
Kansas	274,000	269,400	†268,150	+12,700	268,750	272,300
Nebraska	1,000	----	†950	— 50	1,000	1,200
Panhandle Texas			90,000	----	89,000	91,100
North Texas			150,000	----	149,650	143,850
West Texas			489,500	----	483,450	374,000
East Central Texas			145,550	----	146,150	127,250
East Texas			378,100	----	379,550	362,300
Southwest Texas			352,150	----	352,150	293,050
Coastal Texas			565,250	----	564,850	518,800
Total Texas	2,170,000	‡2,170,278	2,170,550	----	2,164,800	1,910,350
North Louisiana			71,050	----	70,700	76,050
Coastal Louisiana			295,000	----	295,300	282,500
Total Louisiana	360,000	400,800	366,050	----	366,000	358,550
Arkansas	80,000	80,317	80,550	+ 50	80,450	79,600
Mississippi	53,000		52,200	+ 750	52,050	40,850
Alabama	300		300	+ 50	250	50
Florida	----		15	----	----	50
Illinois	205,000		187,250	—11,500	191,400	215,350
Indiana	12,500		11,700	— 400	11,050	14,000
Eastern— (Not incl. Ill., Ind., Ky.)	68,200		65,650	+ 2,500	65,250	72,250
Kentucky	32,000		22,950	+ 6,500	17,700	22,100
Michigan	47,000		53,400	+ 6,350	49,600	52,550
Wyoming	100,000		106.350	+ 650	105,800	88,650
Montana	23,000		19,750	----	20,000	21,500
Colorado	10,500		9,550	----	9,650	8,500
New Mexico	105,000	105,000	104,800	+ 50	104,300	112,900
Total East of Calif	3,909,000		3,898,465	+21,400	3,881,850	3,602,650
California	918,800	§918,800	912,600	+ 5,800	907,750	829,500
Total United States	4,827,800		4,811,065	+27,200	4,789,600	4,432,150

*P.A.W. recommendations and state allowables, as shown above, represent the production of crude oil only, and do not include amounts of condensate and natural gas derivatives to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. April 12, 1945.

‡This is the net basic allowable as of April 1 calculated on a 30-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 2 to 14 days, the entire state was ordered shut down for 6 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 6 days shutdown time during the calendar month.

§Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILLS; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED APRIL 14, 1945

(Figures in thousands of barrels of 42 gallons each)

Figures in this section include reported totals plus an estimate of unreported amounts and are therefore on a —Bureau of Mines basis—

District—	% Daily Refining Capacity Reporting	Crude Runs to Stills Daily Average	Crude Runs to Stills % Operated	§Gasoline Production at Ref. Inc. Nat. Blended	‡Stocks of Gas Oil & Dist. Fuel Oil	‡Stocks of Residual Fuel oil	‡Gasoline Stocks Military and Other	Gasoline Stocks Civilian Grade
East Coast	99.5	761	96.2	1,963	5,258	6,007	7,023	7,165
Appalachian—								
District No. 1	76.8	100	68.5	291	395	187	1,148	1,199
District No. 2	81.2	59	118.0	186	111	160	591	1,011
Ind., Ill., Ky.	87.2	792	92.4	2,780	3,571	1,843	6,635	16,917
Okla., Kans., Mo.	78.3	362	77.2	1,325	1,717	1,186	1,769	7,615
Inland Texas	59.8	253	76.7	981	346	756	1,238	1,737
Texas Gulf Coast	89.3	1,131	91.4	3,157	6,010	5,654	10,738	5,558
Louisiana Gulf Coast	96.8	212	81.5	660	1,593	1,488	2,545	2,632
No. La. & Arkansas	55.9	84	66.7	260	702	254	927	2,049
Rocky Mountain—								
District No. 3	17.1	12	92.3	35	15	35	20	50
District No. 4	72.1	109	68.6	376	330	635	468	2,070
California	85.5	895	90.0	2,256	7,838	23,333	11,823	4,482
Total U. S. B. of M. basis April 14, 1945	85.5	4,770	87.8	14,270	27,886	41,538	*44,925	52,485
Total U. S. B. of M. basis April 7, 1945	85.5	4,686	86.3	14,244	27,037	41,320	45,327	†52,688
U. S. Bur. of Mines basis April 15, 1944		4,494		13,682	30,072	52,146	36,748	51,013

*Includes aviation and military grades, finished and unfinished, title to which still remains in the names of the producing company; solvents, naphthas, blending stocks currently indeterminate as to ultimate use, and 11,862,000 barrels unfinished gasoline this week compared with 11,719,000 barrels a year ago. These figures do not include any gasoline on which title has already passed, or which the military forces may actually have in custody in their own or leased storage. †Revised. ‡Stocks at refineries, at bulk terminals, in transit and in pipe lines. §Not including 1,422,000 barrels of kerosine, 5,006,000 barrels of gas oil and distillate fuel oil and 9,137,000 barrels of residual fuel oil produced during the week ended April 14, 1945, which compares with 1,538,000 barrels, 4,493,000 barrels and 9,359,000 barrels, respectively, in the previous week and 1,592,000 barrels, 4,675,000 barrels and 8,982,000 barrels, respectively in the week ended April 15, 1944.

Note—Stocks of kerosine at April 14, 1945, amounted to 7,562,000 barrels, as against 7,323,000 barrels a week earlier and 6,497,000 barrels a year before.

Items About Banks, Trust Companies

The election of Franklin H. Thomas of Central Savings Bank, New York, as President of the Savings Bank Bond Men of New York State was announced recently by Claude Foulk, retiring President of the organization, at a special luncheon meeting at the Hotel Astor.

Mr. Thomas became associated with Central Savings Bank as investment analyst in April, 1937. He had formerly been manager of the New York office of Stroud & Co. of Philadelphia, and previous to that had been associated with National City Co. and W. A. Harriman & Co. of New York.

Other officers elected to serve with Mr. Thomas during 1945-46 are: Alfred C. Middlebrook of East River Savings Bank, Vice-President; George P. Montgomery of Seamen's Bank for Savings, Secretary, and Frank Mullen of Greater New York Savings Bank, Treasurer.

Irving Trust Co. of New York on April 19 announced the election of David L. Luke Jr. to its board of directors. Mr. Luke is President of West Virginia Pulp & Paper Co., one of the largest manufacturers of book papers in the United States.

Since his graduation from Yale in 1922 Mr. Luke has been associated with the company of which he is now President. Thoroughly trained in the technical operations of the business, he rose through a succession of positions which gave him broad experience in management and plant operation.

Lloyd Montgomery Tillman, noted banker and industrialist, died on April 21 in Havana, Cuba. Mr. Tillman, who was 65 years old when he died, was President of the La Francia Sugar Co., Havana, and Vice-President of Burton & Co., New Yorkl private bankers.

A number of years ago he served as National bank examiner and President of the Allentown National Bank, Allentown, Pa.

John Joseph Moore, connected with the investment banking firm of John Nickerson & Co., New York, for 25 years, died on April 22 at 54 years of age. At the time of his death he was Assistant Vice-President, Assistant Secretary, Assistant Treasurer and director of the organization.

The election of S. Sloan Colt, President of the Bankers Trust Co., New York, as Treasurer of the New York Chapter of the American Red Cross was recently announced. He succeeds the late Leon Fraser, former President of the First National Bank of New York, while Mr. Fraser's position on the board of directors was filled by Mrs. E. R. Harrison, Chairman of the Volunteer Special Services of that Chapter.

Richard A. Brennan, President of the Brevoort Savings Bank, Brooklyn, N. Y., was elected Chairman of the Group Five Mortgage Information Bureau, central organization of the Savings Banks of Brooklyn and Queens, which deal with mortgages.

Leo M. O'Neil, President of the East Brooklyn Savings Bank, Brooklyn, N. Y., announced the opening of a new branch of the bank on Avenue U and E. 17th Street, Brooklyn.

The death of Louis Spielberger, retired Philadelphia banker and director of the Broad Street Trust Co. of that city, was announced by the Philadelphia "Evening Bulletin" on April 17, which went on to say: Mr. Spielberger was active in banking circles and Vice-President of the Union National Bank until his retirement in 1925. He was one of the group which founded the Philadelphia Chapter of the American Institute of Bank Clerks, now the American Institute of Banking, in 1901.

The First & Merchants National Bank, Richmond, Va., on April 24 observed its 80th anniversary. The bank first opened for business in 1865, three weeks after the evacuation of the city during the Civil War.

Liquidation of the Union Trust Co. of Cleveland, which was closed at the time of the bank holiday when the company was the seventeenth largest bank in the United States, is nearing completion, it was disclosed by United Press advices from Cleveland, on April 17, which continued:

"In recognition of the approach of the 'end of the road' of the liquidation, the Cleveland Chamber of Commerce presented its citation and gold medal for distinguished public service to the five members of the Noteholders' Committee Properties, Inc. The five men are: A. C. Ernst, Committee Chairman; Percy W. Brown, Sam W. Emerson, David L. Johnson and Frank A. Scott.

Stockholders of the liquidated Commerce Guardian Trust Co., Toledo, Ohio, who lent money to help the liquidation of the bank, may soon receive a cash return on their holdings, announced the Toledo "Blade" on April 19, which further said:

"Letters have gone into the mails addressed to holders of 'certificates of interest in Associated Depositors and to holders of shares of the old bank,' explaining there will be a distribution within the next 30 to 60 days. The amount of the distribution was not disclosed in the letter signed by C. L. Ault, Secretary of Associated Depositors."

First National Bank of Minneapolis, Minn., is the first bank in the Ninth Federal Reserve District to sign a "blanket participation agreement" with the Reconstruction Finance Corporation, China R. Clarke, manager of the RFC agency in Minneapolis, announced on April 21.

The Minneapolis "Journal," from which this information is learned, says:

"The plan, recently announced by RFC, provides for a commitment to a lending institution by RFC under which RFC agrees to buy, on demand, up to 75% of any qualified loan made to a business enterprise."

The Second Northwestern National Bank, when the quarters are remodeled, will open in affiliation with Northwestern National Bank, Minneapolis, Minn. Shirley S. Ford, President of the head bank, announced the election of the following directors to the new institution:

The directors are, according to the Minneapolis "Journal": H. Jack Dow, President, Louis F. Dow Co.; Albert E. Floan, Secretary, Northwest Airlines, Inc.; Christian A. Lund, President, Northland Ski Manufacturing Co.; James W. Moore, Assistant Vice-President, Archer-Daniels-Midland Co.; Frank C. O'Brien, Vice-President, Northwestern National and President of the new bank; C. W. Onan, partner, D. W. Onan & Sons; Stanley L. Wasie, President, Merchants Motor Freight, Inc.; J. Richard Wren, Vice-President and Cashier of the new bank.

Leslie A. Thornton, Vice-President of the National Bank of Commerce, Memphis, Tenn., on April 17 was elected President of the Memphis Clearing House Association.

The Memphis "Appeal," in reporting this, said:

"Mr. Thornton, who will finish his 44th year at the National Bank of Commerce June 1, previously had served three terms in that office. Norfleet Turner, President of the First National Bank, was elected Vice-President of the Association, and G. R. Page was named manager and Secretary-Treasurer.

"Mr. Thornton succeeds I. H. Wilson, Vice-President of Union Planter National Bank & Trust Co. of Memphis as President. The State Savings Bank is the fourth member of the Association."

The election of James C. Atkins as President of the Louisiana State Bankers Association, at their annual meeting on April 18, was announced the following day by the New Orleans "Times Picayune," which said:

Mr. Atkins, who is also Cashier of the Continental American Bank & Trust Co. of Shreveport, La., succeeds H. Webb Madison. Other officers elected were Harold L. Sims, Vice-President, and Frank Patenotte, Treasurer. R. I. Didier was reelected Secretary.

The San Francisco "Chronicle" reported on April 13 that James F. McGrath, Assistant Vice-President, Crocker First National Bank of San Francisco, has been elected President of Group Six of the California Bankers Association. Other officers elected were: First Vice-President, Harry R. Smith, Vice-President of Bank of America; Second Vice-President, A. J. Oliveira, Cashier of First National Bank in San Leandro, Calif.; Treasurer, Ralph R. Emery, Assistant Vice-President of American Trust Co., San Francisco; Secretary, F. L. Greiner, Assistant Cashier of Wells Fargo Bank & Union Trust Co., also of San Francisco.

The American Trust Co., San Francisco, Calif., announced the following promotions, according to the San Francisco "Chronicle":

Arthur E. Hurt, real estate department, has been promoted to Assistant Vice-President of American Trust Co.; Cecil W. Musser, investment department, has been promoted to Assistant Cashier, and Milton B. Schuab, bond department, has been promoted to Assistant Cashier.

The election of O. B. Wells as Assistant Cashier of the Union Bank & Trust Co., Los Angeles, Calif., was announced on April 14. Mr. Wells has been new accounts manager for 20 years.

Milton H. Erz, trust officer of the Title & Trust Co., Portland, Ore., was elected President of the Trust Companies Association of Oregon at a meeting of the executive committee of that organization, it was announced on April 15 by the Portland "Oregonian."

Other officers chosen at that time included Chester J. Irelan of the Portland Trust & Savings Bank, Vice-President, and Richard A. Welch, First National Bank, Secretary-Treasurer.

The organization is made up of trust companies and banks with trust departments operating in the State of Oregon.

New officers will be installed at the regular monthly dinner meeting of the Association to be held at the Benson Hotel, April 25.

ABA Urges Uniform State Legislation On Financing of Civilian Aircraft

The thousands of war-trained pilots who may wish to own planes and continue their flying when the war ends will be aided in financing the purchase of aircraft by a uniform statute, prepared by the State Legislature Committee and Council of the American Bankers Association, which has been suggested to legislative committees of State bankers' associations for adoption during the current sessions of the various State Legislatures. This suggested legislation for the recordation of mortgages on aircraft "would do away with double filing and provide one source of information, namely, the Office of the Civil Aeronautics Administrator of the United States at Washington, D. C.," according to G. O. Thorpe, Chairman of the State Legislative Committee and Council of the ABA, who is also Executive Vice-President of the First Lumbermen's National Bank, Chippewa Falls, Wis. In a letter to members of the ABA State Legislative Committee and Council and to secretaries of State bankers' associations, Mr. Thorpe said: "Although other organizations are definitely interested and favorably disposed, it appears that our Association is taking the lead in emphasizing the importance of this legislation. A statute of this kind has been passed in California in 1941, which means that bankers in that State then foresaw the need for full protection in airplane financing whether airplanes are used in intrastate or interstate commerce.

"Although this matter has been previously called to your attention, we wish again to impress upon bankers the imeprativeness of taking some action at this time in anticipation of post-war credit needs. As the legislatures in most States will not meet again for two years, either bankers, or perhaps some other group with banker support, may be interested in introducing this legislation. The Committee on Consumer Credit of the ABA will hold a meeting in Chicago March 26-27, at which time a report will be made on this subject.

The Committee has asked that it be advised as to what interest is being shown by bankers in this legislation and what action, if any, has been made or is being contemplated toward its adoption. Answers should be addressed to the ABA Headquarters, 22 East 40th Street, New York 16, N. Y.

Foreign Trade Plan For Agriculture

In a foreign trade program suggested for United States agriculture, the U. S. Department of Agriculture's Interbureau Committee on Post-War Programs sets out these specific reasons why United States agriculture should be concerned about expansion of foreign trade after the war: (1) Foreign markets are needed for the portion of this country's agricultural output that cannot be sold here at a fair price. (2) Exports are necessary of products made by United States industrial workers whose wages comprise an important market for our agricultural products. (3) There is a need for imports of both industrial and agricultural products that cannot be produced here relatively economically and efficiently in sufficient quantity for our own needs.

Among its recommendations for world trade expansion the committee urges international agreements to reduce Government barriers to international trade, and agreements between importing and exporting countries on the handling of specific problems of commodities in world surplus. It also urges support of national and international efforts to eliminate private barriers arising from price, production, and marketing monopolies.

CED Urges Ending Wartime Controls

In a study on national policy issued by the Committee for Economic Development it is urged that wartime controls be dropped as soon as the emergency need for each has passed, according to Associated Press dispatch from Washington, April 19. The report recommends that within six months after the end of all hostilities, the Director of War Mobilization and Reconversion eliminate all controls not actually necessary beyond that date. No control "should be allowed to persist just because it worked well during the war," says the report of the CED, a business organization for post-war planning, according to the Associated Press, which continues:

Starting with V-E Day, materials should be released when war demands end or supplies become sufficient for civilian use, CED said. The emergency may end for other controls with the victory over Japan; for still others, "especially anti-inflation measures, it may extend for a considerable period thereafter."

"Manpower controls should be ended, area by area, as shortages of manpower disappear. The objective should be to time and coordinate such action so that our economy can land on its feet, prepared to go places."

No Piecemeal Action

The statement, prepared by the CED research committee headed by Ralph E. Flanders, President of the Federal Reserve Bank of Boston, recommended the following procedure:

Until the six month dead line after all hostilities, controls should be removed by administrative action only, not by Congress; this would permit quick restoration if necessary.

Since controls are interlocking, their suspension should be governed by the reconversion director, not handled piecemeal by separate agencies.

Within six months after Japan's fall, the director should review all controls and remove those not clearly necessary.

Legislative authority should be extended beyond that dead line only where necessary to keep inflation in check for the rest of the transition period; World War I experience would indicate that the transition cycle of decline, inflation and deflation might last between two and three years.

At the end of the full transition period, as determined by Congress, legislative authority for the last of the wartime controls should be ended.

In other fields the committee suggested:

Consumer Rationing — Formal rationing should continue as long as "serious" shortages exist, but when any shortage ceases to be severe it should give place to "informal dealer controlled rationing" like that now in use for liquor, cigarettes and cleansing tissue.

Jurists Plan World Court

A draft of a world court organization was completed on April 19 by jurists of 38 United Nations and was signed the following day.

The Associated Press announced from Washington:

The report will be submitted to the San Francisco conference as part of the organization contemplated under the Dumbarton Oaks plan.